

MCO P4200.15W67
G

MARINE CORPS PURCHASING PROCEDURES MANUAL



U.S. MARINE CORPS

PCN 102 044300 00



DEPARTMENT OF THE NAVY
HEADQUARTERS UNITED STATES MARINE CORPS
WASHINGTON, DC 20380-0001

MCO P4200.15G
LBO
11 Apr 91

MARINE CORPS ORDER P4200.15G W/Ch 1-2

From: Commandant of the Marine Corps
To: Distribution List

Subj: MARINE CORPS PURCHASING PROCEDURES MANUAL

Ref: (a) Federal Acquisition Regulation (FAR)
(b) Defense Federal Acquisition Regulations Supplement
(DFARS)
(c) Navy Acquisition Procedures Supplement (NAPS)

Encl: (1) LOCATOR SHEET

Reports Required: I. Individual Procurement Action Report
DN-4300-01 (External RCS DD-P&L (LM) 1014)
par. 11100
II. Monthly Procurement Summary DN-4200-03
(External RCS DD-P&L (M) 1015) par. 11200

1. Purpose. To establish and define the authority, responsibilities, and basic procedures to be followed by field activities of the Marine Corps in purchasing supplies and services with appropriated funds per references (a), (b), and (c).

2. Cancellation. MCO P4200.15F.

3. Summary of Revision. This revision contains a substantial number of changes and should be completely reviewed.

4. Recommendations. Recommendations concerning the contents of the Marine Corps Purchasing Procedures Manual are invited. Submit via the appropriate chain of command for evaluation.

5. Reserve Applicability. This Manual is applicable to the Marine Corps Reserve.



DEPARTMENT OF THE NAVY
HEADQUARTERS UNITED STATES MARINE CORPS
WASHINGTON, DC 20380-0001

MCO P4200.15G Ch 1

LBO

10 Aug 92


MARINE CORPS ORDER P4200.15G Ch 1

From: Commandant of the Marine Corps
To: Distribution List

Subj: MARINE CORPS PURCHASING PROCEDURES MANUAL

Encl: (1) New page inserts to MCO P4200.15G

1. Purpose. To transmit new page inserts to the basic Manual.
2. Action. Remove pages 2-5, 2-6, 2-13, 2-14, 6-39, 6-40, 6-45, 6-46 and replace with corresponding pages in the enclosure.
3. Summary of Changes. This Change updates Marine Corps policy relative to written approval prior to transfer of any contractual actions that exceed \$25,000; changes the open purchase threshold of \$25,000 to included Marine Corps District Headquarters; and places limitations on personnel who make BPA calls in the purchasing organization.
4. Change Notation. Paragraphs denoted by an arrow () symbol contain changes not previously published.
5. Filing Instructions. File this Change transmittal immediately following the signature page of the basic Manual.


R. K. RIGGS
Acting Deputy Chief of Staff
for Installations and Logistics

DISTRIBUTION: PCN 10204430001

Copy to: 7000110 (55)
7000156 (25)
7000093/8145004, 005 (2)
7000144, 164/8145001 (1)



DEPARTMENT OF THE NAVY
HEADQUARTERS UNITED STATES MARINE CORPS
2 NAVY ANNEX
WASHINGTON, DC 20380-1775

MCO P4200.15G Ch 2
LBO
6 Jun 1994


MARINE CORPS ORDER P4200.15G Ch 2

From: Commandant of the Marine Corps
To: Distribution List

Subj: MARINE CORPS PURCHASING PROCEDURES MANUAL

Encl: (1) New page inserts to MCO P4200.1G

1. Purpose. To transmit new page inserts to the basic Manual.
2. Action
 - a. Remove pages iii, 1-3 through 1-5, 4-5, 4-6, 5-5, 5-6, 5-17, 5-19, 5-20, 5-21, 6-5 through 6-8, 6-11 through 6-14, 6-17 and 6-18, 6-25 through 6-36, 6-39 through 6-54, 6-57 through 6-60, 7-1 through 7-12, 7-15 through 7-54, 8-1, 8-5 through 8-12, 9-3, 9-5, 10-3 through 10-6, 11-5, and 11-6.
 - b. Remove chapter 2 and replace with corresponding chapter 2 contained in the enclosure.
3. Summary of Changes. This Change updates Marine Corps policy relative to a consolidated Marine Corps Regional Contracting establishment. Further internal procedures will be the responsibility of each designated regional contracting office.
4. Change Notation. Paragraphs denoted by an arrow () symbol contain changes not previously published.
5. Filing Instructions. File this Change transmittal immediately following the signature page of the basic Manual.
DISTRIBUTION: PCN 10204430002


R. A. TEBBO
Deputy Chief of Staff
for Installations and Logistics

Copy to: 7000110 (55)
7000156 (25)
7000093/8145004, 005 (2)
7000144, 164/8145001 (1)

LOCATOR SHEET

Subj: MARINE CORPS PURCHASING PROCEDURES MANUAL

Location: _____
(Indicate the location(s) of the copy(ies) of this
Manual.)

MARINE CORPS PURCHASING PROCEDURES MANUAL

CONTENTS

CHAPTER

- 1 GENERAL INFORMATION
- 2 AUTHORITY AND RESPONSIBILITY
- 3 OBLIGATION OF FUNDS
- 4 STANDARDS OF CONDUCT
- 5 GOVERNMENT SOURCES OF SUPPLY
- 6 OPEN-MARKET PURCHASING
- 7 MISCELLANEOUS INSTRUCTIONS FOR PURCHASING
- 8 FOREIGN PURCHASING
- 9 DELIVERY ORDERS
- 10 PROCUREMENT INSTRUMENT IDENTIFICATION NUMBERING SYSTEM
- 11 REPORTS

APPENDIX

- A SAMPLE LETTERS AND FORMS USED IN PURCHASING
- B DEPLOYED CONTRACTING
- C COORDINATION WITH COUNSEL ON CONTRACTUAL MATTERS

MARINE CORPS PURCHASING PROCEDURES MANUAL

CHAPTER 1

GENERAL INFORMATION

	<u>PARAGRAPH</u>	<u>PAGE</u>
PURPOSE	1000	1-3
INFORMATION	1001	1-3
DEFINITIONS	1002	1-4
APPLICABILITY	1003	1-5

MARINE CORPS PURCHASING PROCEDURES MANUAL

CHAPTER 1

GENERAL INFORMATION

1000. PURPOSE

1. The purpose of this Manual is to establish the authority, responsibilities, and basic procedures to be used by Marine Corps field activities in the acquisition of supplies and/or services through the use of appropriated funds.

2. The instructions contained in this Manual will assist Marine Corps field activities in the attainment of their acquisition objective of acquiring the necessary supplies and/or services of the desired quality, in a timely manner, at a fair and reasonable price.

1001. INFORMATION

1. At the DoD level, the Director of Defense Procurement, Office of the Under Secretary of Defense (Acquisition and Technology), has broad authority over contracting matters, including establishment of uniform DoD contracting policies and procedures for acquisition of supplies and services and issuance of the Defense Federal Acquisition Regulation Supplement (DFARS). The DFARS applies to all purchases and contracts made by the DoD within or outside the United States for supplies or services which obligate appropriated funds.

2. Within the Department of the Navy (DON), the responsibility for the performance of DON-wide contracting functions and services has been delegated to the Assistant Secretary of the Navy (Research, Development And Acquisition) (ASN(RD&A)). The Office of the Director of Procurement Policy currently acts for the ASN(RD&A) for the purpose of administering and formulating contracting policy as follows:

a. Provides the staff for development and formulation of DON-wide contracting regulations and, in so doing, coordinates with Marine Corps and other Navy Department activities, when appropriate.

b. Prepares and publishes the Navy Acquisition Procedures Supplement (NAPS) per the policies and direction of the ASN(RD&A).

c. Performs, on a DON-wide basis, other contracting functions per the applicable DoD and Navy contracting and acquisition regulations and directives.

3. The Commandant of the Marine Corps (CMC), the Deputy Chief of Staff for Installations and Logistics (DC/S I&L), and the Commander, Marine Corps Systems Command (MARCORSYSCOM) have been designated as the Heads of Contracting Activity (HCA) with authority to exercise the powers enumerated in Title 10, United States Code. The Director, Contracts Division (LB), advises the DC/S I&L in all contracting matters, procures equipment and services for items centrally managed at HQMC, and for other requirements. The Field Contracting Support Branch (LBO) exercises functional management control over contracting at activities of the Marine Corps Field Contracting System for the Director, Contracts Division, with the exception of MARCORSYSCOM.

4. As indicated in chapter 2 of this Manual, the DC/S I&L has further delegated purchasing and contracting authority to individuals appointed by name as contracting officers above the small purchase threshold. Designated contracting officers are authorized to enter into contracts on behalf of the United States and to make certain determinations and findings as required by law and regulation. Additionally, the DC/S, I&L has redelegated to the Chiefs of all Regional Contracting Offices listed in paragraphs 2000 and 2001 authority to appoint contracting officers below the small purchase threshold. The authority given to the chiefs of these regional contracting offices is delegable only to the principle deputy to such official.

1002. DEFINITIONS

1. Commander. Includes commanding generals and commanding officers of Regular Establishments, Marine air reserve training detachments (MARTD)/subunits, inspector-instructors, officers in charge of subunits, and officers in charge of recruiting stations. Unless otherwise specifically provided in this Manual, authority granted to the commander cannot be further delegated.

2. Contracting Officer

a. A person appointed, by name, in writing, by the DC/S I&L, with authority to enter into and administer contracts above the small purchase threshold on behalf of the United States of America and to make determinations and findings with respect thereto.

b. A person appointed, by name, in writing, by the chief of a regional contracting office, with authority to enter into and administer purchases below the small purchase threshold on behalf of the United States of America and to make determinations of findings with respect thereto.

3. Chief of the Regional Contracting Office. The chief of the regional contracting office is the official who has overall responsibility for managing the entire contracting office and includes the principle Deputy to such official.

1003. APPLICABILITY

1. This Manual applies to all regional contracting offices at activities other than MARCORSYSCOM and shall be used as the basic regulation for carrying out the purchasing mission of these organizations. In addition, those Marine Corps contracting offices listed in paragraphs 2000 through 2003 shall use the instructions contained in the FAR, DFARS, and NAPS, as required. In the event an apparent conflict is observed between instructions in this Manual and those contained in higher authority directives, the latter directives will be followed.

2. Subordinate Marine Corps organizations shall not issue instructions, directives, regulations, contract forms, clauses, or policies, which duplicate, are inconsistent with, or increase or restrict the use of any authority contained in the FAR, DFARS, NAPS, or this Manual.

MARINE CORPS PURCHASING PROCEDURES MANUAL

CHAPTER 2

AUTHORITY AND RESPONSIBILITY

	<u>PARAGRAPH</u>	<u>PAGE</u>
HEADQUARTERS MARINE CORPS (CONTRACTS DIVISION (LBC))	2000	2-3
REGIONAL CONTRACTING OFFICES	2001	2-3
REGIONAL CONTRACTING OFFICES WITH LIMITED PURCHASING AUTHORITY	2002	2-4a
OTHER MARINE CORPS ACTIVITIES REQUIRING PURCHASING SUPPORT	2003	2-5
DEPLOYED UNITS	2004	2-8
MARINE CORPS AIR STATIONS AND AIR FACILITIES	2005	2-8

SECTION 1: APPOINTMENT OF CONTRACTING OFFICERS

CONTRACTING OFFICER APPOINTMENTS ABOVE THE SMALL PURCHASE THRESHOLD	2100	2-9
CONTRACTING OFFICER APPOINTMENTS BELOW THE SMALL PURCHASE THRESHOLD	2101	2-9
ORDERING OFFICERS.	2102	2-10

SECTION 2: RESPONSIBILITIES OF COMMANDERS

DIVISION OF RESPONSIBILITIES	2200	2-11
CITATION OF FUNDS.	2201	2-11
QUANTITIES	2202	2-11
PURCHASE REQUESTS.	2203	2-11
TRANSMITTAL OF PURCHASE REQUIREMENTS	2204	2-12

MARINE CORPS PURCHASING PROCEDURES MANUAL

	<u>PARAGRAPH</u>	<u>PAGE</u>
SPLITTING REQUIREMENTS	2205	2-13
FACILITIES CONSTRUCTION, REPAIR, AND MAINTENANCE	2206	2-13
VALIDATION OF REQUIREMENTS	2207	2-14
SECTION 3: DUTIES AND RESPONSIBILITIES OF CONTRACTING OFFICERS		
GENERAL INFORMATION	2300	2-15
DERIVATION OF AUTHORITY OF CONTRACTING OFFICERS	2301	2-15
DUTIES AND RESPONSIBILITIES OF CONTRACTING OFFICERS	2302	2-15
PERFORMANCE	2303	2-16
BUSINESS CLEARANCES	2304	2-17
UNAUTHORIZED COMMITMENTS	2305	2-17
USE OF WARRANTIES	2306	2-20
APPROVALS REQUIRING REVIEW HIGHER THAN CONTRACTING OFFICERS	2307	2-20
REVIEW BY LEGAL COUNSEL	2308	2-20
PROCESSING OF PROTESTS FILED WITH THE GENERAL ACCOUNTING OFFICE (GAO)	2309	2-20
PROCESSING OF PROTESTS FILED WITH THE GENERAL SERVICES ADMINISTRATION BOARD OF CONTRACT APPEALS (GSBCA)	2310	2-21
ARMED SERVICES BOARD OF CONTRACT APPEALS (ASBCA) AND CLAIMS COURT	2311	2-22

MARINE CORPS PURCHASING PROCEDURES MANUAL

CHAPTER 2

AUTHORITY AND RESPONSIBILITY

2000. HEADQUARTERS MARINE CORPS (CONTRACTS DIVISION (LBC)). The regional contracting office located at the CMC (LBC), Washington, DC, is authorized to enter into all types of contracts for supplies and services.

2001. REGIONAL CONTRACTING OFFICES. Marine Corps regional contracting offices are established at the following Marine Corps installations. Purchasing and contracting at these activities shall be conducted only by the regularly established contracting office, unless otherwise authorized by the CMC (LB). Purchasing and contracting shall be conducted subject to the applicable provisions of the FAR, DFARS, NAPS, FIRM, Marine Corps Orders, and any other applicable directives which may be issued by competent authority. The authority provided herein applies to firm fixed-price contracts with the exception of the MCLB, Albany, and CMC (LBC) which is unrestricted as to type of contract within the guidelines of paragraph 2304. All of the remaining activities listed herein may enter into contracts other than firm fixed price if prior authority is obtained from the CMC (LBO).

Headquarters, U.S. Marine Corps
Contracts Division (LBC)
2 Navy Annex
Washington, DC 20380-1775

Marine Corps Regional Contracting Office
(Logistics Bases)
Marine Corps Logistics Bases (Code 89)
Albany, GA 31704-5001

Marine Corps Regional Contracting Office
MCLB (Logistics Base), P.O. Box 110340
Barstow, CA 92311-5000

Marine Corps Regional Contracting Office
(Western Recruiting Region)
MCRD/WRR
San Diego, CA 92140-5398

Marine Corps Regional Contracting Office
(Eastern Recruiting Region)
MCRD/ERR
Parris Island, SC 29905-5069

Marine Corps Regional Contracting Office
(Southeast Region), P.O. Box 20004
MCB, Camp Lejeune, NC 28542-0004

Marine Corps Regional Contracting Office
(Northwest Region), P.O. Box X24
Twentynine Palms, CA 92278-5010

Marine Corps Regional Contracting Office
(Southwest Region), P.O. Box 1609
MCB, Camp Pendleton
Oceanside, CA 92054-5000

Marine Corps Regional Contracting Office
(Midwest Region)
4370 West 109th Street
Suite #150, P.O. Box 32
Overland Park, KS 66211-1408

Marine Corps Regional Contracting Office
(Northeast Region) 2010 Zeilin
MCCDC, Quantico, VA 22134-5000 (SEE NOTE BELOW)

Marine Corps Regional Contracting Office
(Far East Region)
PSC 577, Box 2000
MCB, Camp S.D. Butler, Okinawa
FPO, AP 96379-2000

Marine Corps Regional Contracting Office
(Marine Reserve Force)
4400 Dauphine Street
New Orleans, LA 70056

Marine Corps Regional Contracting office
Deployed Contracting
1st FSSG
Camp Pendleton, CA 92055 (DURING DEPLOYMENT ONLY)

Marine Corps Regional Contracting Office
Deployed Contracting
2d FSSG
Camp Lejeune, NC 282542-0128 (DURING DEPLOYMENT ONLY)

Marine Corps Regional Contracting Office
Deployed Contracting
3d FSSG
Unit #38401
FPO AP 96604-8401 (DURING DEPLOYMENT ONLY)

NOTE: DUE TO THE UNIQUE NATURE OF CONTRACTING FOR FIP
RESOURCES AND THE MAGNITUDE OF REQUIREMENTS
GENERATED BY MCCTA THAT ACTIVITY MAY OBTAIN
CONTRACTING SUPPORT FROM HQMC (CODE LBC) OR
THE DON INFORMATION TECHNOLOGY ACQUISITION CENTER

2002. REGIONAL CONTRACTING OFFICES WITH LIMITED PURCHASING AUTHORITY. The following activities are also designated as Marine Corps regional contracting offices, limited, however, with purchasing authority below the small purchase threshold. The contracting officer of these activities will be appointed by the Head of the Contracting Activity (DC/S I&L). These offices, under the direction of an appointed contracting officer, are authorized to use all simplified purchase procedures set forth in this Manual to effect purchases of supplies and/or services in amounts not exceeding the small purchase threshold per individual purchase transaction. Further, orders against indefinite delivery type contracts may be issued up to the maximum ordering limitation. Prior to appointment as a contracting officer, the individual shall, as a minimum, have completed the Purchasing Fundamentals (Pur 101) (formerly Defense Small Purchase course). It is strongly recommended that contracting officers at activities with purchasing authority limited below the small purchase threshold also attend the Management of Defense Acquisition Contracts (Basic) course.

Marine Corps Regional Contracting Office
(Atlantic Region), Camp Elmore
Bldg MCA-614
Norfolk, VA 23551-2596

Marine Corps Regional Contracting Office
(Pacific Region)
P.O. Box 64131
Camp H.M. Smith, HI 96861-5010

Marine Corps Regional Contracting Office
(European Region) Hq MARFOREUR
Panzer Kaserne, Bldg. 2901
APO AE 09046-0160

2003. OTHER MARINE CORPS ACTIVITIES REQUIRING PURCHASING SUPPORT

1. The following Marine Corps regional contracting offices will provide support and/or appoint contracting officers with small purchase authority to the activities indicated below. They will be responsible for all procurement matters in respect to these activities (e.g., Procurement Management Reviews, automated reporting, training, appointment of contracting officers below the small purchase threshold, etc.).

<u>Regional Contracting Office</u>	<u>Area of Responsibility</u>
Marine Reserve Force New Orleans, LA 70056	All subordinate Reserve units of MARRESFOR (i.e., I&I's, Reserve squadrons)
Eastern Recruiting Region MCRD/ERR, Parris Island, CA	Marine Corps District Headquarters (1st, 4th, 6th) All recruiting stations east of the Mississippi River
Western Recruiting Region MCRD/WRR, San Diego, CA	Marine Corps District Headquarters (8th, 9th, 12th) All recruiting stations west of the Mississippi River
Headquarters Marine Corps Contracts Division (LBC) Washington, DC	Director, Administration and Resource Management (AR) Headquarters, Marine Corps Marine Barracks 8th & I Streets, SE Washington, DC Headquarters Battalion Henderson Hall Arlington, VA
Southwest Region MCB, Camp Pendleton Oceanside, CA	MCMWTC Bridgeport, CA

2. All miscellaneous Marine Corps activities (e.g., Marine Barracks other than 8th and I, Marine Corps security force companies, and AdminDet's) not previously identified operating on or near a major DoD installation shall attempt to obtain all local purchase support from that activity. However, when the commanding officer/officer in charge determines that adequate local purchase support cannot be obtained from the nearest major DoD installation, purchase support will be requested, in writing to Headquarters Marine Corps (LBO). Designations will be done by region, based on workload of the regional office. (See figure 1-1 for established regions/areas of responsibility.)

MARINE CORPS PURCHASING PROCEDURES MANUAL

<u>Activity</u>	<u>Area of Responsibility</u>
Contracts Division (LBC) <u>Headquarters, U.S. Marine Corps</u> 3033 Wilson Blvd. Arlington, VA 22201-3809 703-696-1045	(1) National Capital Region (NCR) (This includes 8th & I, Henderson Hall, AR)
Marine Corps Regional Contracting Office (<u>Western Recruiting Region</u>) MCRD/WRR San Diego, CA 92140-5398 619-524-4250	(1) MCRD, San Diego
Marine Corps Regional Contracting Office (<u>Eastern Recruiting Region</u>) P.O. Box 5069 MCRD/ERR Parris Island, SC 29905-5069 803-525-2141	(1) MCRD, Parris Island
Marine Corps Regional Contracting Office (<u>Marine Reserve Force</u>) 4400 Dauphine Street New Orleans, LA 70146-5400 504-948-5529	(1) All Marine Reserve Forces
Marine Corps Regional Contracting Office (<u>Northeast Region</u>) 2010 Zeilin MCCDC, Quantico, VA 22134-5001 703-640-2806	(1) MCCDC Quantico (2) All Marine Corps units not otherwise identified in the states of VA, PA, MA, WV, NJ, CT, NH, MD, ME, DE, RI, VT
Marine Corps Regional Contracting Office (<u>Southwest Region</u>) P.O. Box 1609, MCB, Camp Pendleton Oceanside, CA 92054-5000 619-725-3233	(1) MCB Camp Pendleton (2) All Marine Corps Units not otherwise identified in the states of CA, NM, NV, AZ, (this includes MCMWTC, Bridgeport)
Marine Corps Regional Contracting Office (<u>Logistics Base</u>) P.O. Box 110340 MCLB, Barstow, CA 92311-5039 619-577-6301	(1) MCLB Barstow
Marine Corps Regional Contracting Office (<u>Southeast Region</u>) PSC Box 20004 MCB, Camp Lejeune, NC 28542-0004 919-451-5520	(1) Camp Lejeune (2) All Marine Corps units not otherwise identified in the states of NC, FL, GA, SC, AL

Figure 1-1.--Regional Designations.

MARINE CORPS PURCHASING PROCEDURES MANUAL

<u>Activity</u>	<u>Area of Responsibility</u>
Marine Corps Regional Contracting Office (<u>Logistics Base</u>) Marine Corps Logistics Base (Code 89) Albany, GA 31704-5000 912-439-6735	(1) MCLB Albany (2) Blount Island Command
Marine Corps Regional Contracting Office (<u>Pacific Region</u>) P.O. Box 64131 Camp H.M. Smith, HI 96861-5010 808-477-0559	(1) All Marine Corps units not otherwise identified in the state of HI and Pacific Islands
Marine Corps Regional Contracting Office (<u>Atlantic Region</u>) Bldg. MCA-614 Norfolk, VA 23515-2596 804-445-6552	(1) Norfolk/Tidewater Basin Area
Marine Corps Regional Contracting Office (<u>Northwest Region</u>) P.O. Box X24 Twentynine Palms, CA 92278-5010 619-368-5110	(1) MCAGCC 29 Palms (2) All Marine Corps units not otherwise identified in the states of OR, UT, WA, CO, AK, ID, NE, MT, ND, SD, WY
Marine Corps Regional Contracting Office (<u>Far East Region</u>) PSC 577, Box 2000 MCB, Camp S.D. Butler, Okinawa FPO, AP 96379-2000 011-81-9889-3-3974	(1) MCB Camp Butler
Marine Corps Regional Contracting Office (<u>Midwest Region</u>) 4370 West 109th St. Suite #150, Box 32 Overland Park, KS 66211-1408 913-491-7691	(1) Kansas City Metro Area (2) All Marine Corps units not otherwise identified in the states of IL, MI, IN, KS, OH, MN, IA, WI, MO, LA, TX, KY, TN, OK, MS, AR
Marine Corps Regional Contracting Office (<u>European Region</u>) Hq FMF Europe (Designate) Panzer Kaserne, Bldg. 2901 APO AE 09046-0160 011-44-71-355-525911	(1) FMF Europe

Figure 1-1.--Regional Designations--Continued.

<u>Activity</u>	<u>Area of Responsibility</u>
Marine Corps Regional Contracting Office Deployed Contracting, 1st FSSG Camp Pendleton, CA 92055	(1) 1st FSSG (<u>WHEN DEPLOYED ONLY</u>)
Marine Corps Regional Contracting Office Deployed Contracting, 2d FSSG PSC Box 20120 Camp Lejeune, NC 285-0128	(2) 2d FSSG (<u>WHEN DEPLOYED ONLY</u>)
Marine Corps Regional Contracting Office Deployed Contracting, 3d FSSG Unit #3880401 FPO AE 96604-8401	(3) 3d FSSG (<u>WHEN DEPLOYED ONLY</u>)

Figure 1-1.--Regional Designations--Continued.

2004. DEPLOYED UNITS

1. The FSSG's are designated Marine Corps Regional Contracting Offices as defined in paragraph 2001, and authorized to establish an imprest fund as defined in paragraph 6102, for deployment only. Predeployment supplies and services will be obtained from the local base regional contracting office.
2. Chapter 8 sets forth procedures for making local purchases and leases in friendly foreign countries. Appendix B provides additional information for contingency contracting offices to use when deployed during peacetime exercises and wartime contingencies.

2005. MARINE CORPS AIR STATIONS AND AIR FACILITIES

1. The contracting officer at MCAS's and air facilities is under the technical cognizance of the Deputy Commander for Contract Management, Naval Supply Systems Command, and derives contracting authority from NAVSUPINST 4200.81. Air stations, air facilities, and suborganizations thereof have no authority to effect contracting or purchasing under any of the preceding paragraphs in this chapter, with the exception of the 4th Marine Air Wing units. 4th Marine Air Wings units, who receive procurement authority from the MARRESFOR Regional Contracting Officer are only authorized to procure with Marine Corps funds.

2. Furthermore, should a request for assistance in the procurement of supplies and/or services be received from a MCAS or air facility, by any of the activities listed in paragraphs 2001 and 2002, that office must immediately contact CMC (LBO) with the complete background of the specific procurement, prior to initiation of the procurement process.

2-8a
Ch 2

MARINE CORPS PURCHASING PROCEDURES MANUAL

CHAPTER 2

AUTHORITY AND RESPONSIBILITY

SECTION 1: APPOINTMENT OF CONTRACTING OFFICERS

2100. CONTRACTING OFFICER APPOINTMENTS ABOVE THE SMALL PURCHASE THRESHOLD. Assignment and appointment of Marine Corps contracting officers above the small purchase threshold for those activities listed in paragraphs 2000 and 2001 and all contracting officers below the small purchase threshold for activities listed in paragraph 2002 shall be by name, in writing, and issued by the Deputy Chief of Staff for Installations and Logistics (DC/S I&L). Appointments as contracting officers will be done via a Contracting Officer Certificate of Appointment (SF 1402). (See appendix A, figure A-9.) Commanders may submit additional nominations for contracting officer appointments, when required, to CMC (LBO). A resume shall be forwarded as an enclosure to the nomination letter; nominations shall not be submitted by direction. In a situation where a waiver is required to receive a contracting warrant above the small purchase threshold in accordance with DFARS 201.603, ensure a copy of the approved waiver is included in the nomination package.

2101. CONTRACTING OFFICER APPOINTMENTS BELOW THE SMALL PURCHASE THRESHOLD

1. Appointment of contracting officers below the small purchase threshold for the activities listed in paragraphs 2000 and 2001 shall be in writing, by name, and issued by the chief of the contracting office of that respective activity subject to the restrictions set forth therein. Appointment of contracting officers below the small purchase threshold for the activities listed in paragraph 2003 shall be in writing, by name, and issued by the chief of the regional contracting office designated to support such activities. Appointments as contracting officer will be done via a contracting officer Certificate of Appointment (SF 1402), which will specify the level of purchasing authority authorized. Copies of all contracting officers warrants issued shall be maintained in the permanent file of the activity and will be retained for a period of not less than 5 years after each contracting officer ceases to serve.

2. Authority of contracting officers appointed by the chief of a regional contracting office will be limited to small purchase open-market authority not to exceed the small purchase threshold and delivery order authority up to the maximum order limitation. These warrants will specify that they are only valid for the activity to which attached. These contracting officers shall be under the direction of the chief contracting office making the appointment.

3. Prior to appointment of contracting officers, the individual shall, as a minimum, have completed the Purchasing Fundamentals (Pur 101) (formerly Defense Small Purchase Course).

2102. ORDERING OFFICERS

1. General Information. Ordering officer authority is limited to placing orders under existing contracts, such as Federal Supply Schedules (FSS) or indefinite delivery-type contracts.

2. Appointment of Ordering Officers

a. Chief of the regional contracting office at those activities listed in paragraphs 2000 and 2001 are authorized to appoint any qualified individual within the command as an ordering officer against a IDTC contract. Appointments will be done via contracting officer certificate of Appointment (SF 1402), which will specify the level of purchasing authority authorized. Prior to appointment of ordering officers, the individual shall, as a minimum have completed the Purchasing Fundamentals (Pur 101) (formerly Defense Small Purchase Course).

b. Only those duly appointed ordering officers are authorized to place orders against existing contracts subject to the limitations prescribed by the appointing official. To the extent that it is necessary to appoint ordering officers for any reason, they shall be appointed only by the individuals cited in paragraph 2102.2a.

CHAPTER 2

AUTHORITY AND RESPONSIBILITIES

SECTION 2: RESPONSIBILITIES OF COMMANDERS

2200. DIVISION OF RESPONSIBILITIES. Acquisition requires that several discrete functions be performed sequentially. First, a requisition must be prepared and funding identified. Second, the purchase action must be performed. Third, goods or services must be received by an authorized Government official. Fourth, an invoice must be certified and forwarded for payment. While it is recognized that smaller units will not be able to assign separate personnel for each function, these duties must be separated to the maximum extent practicable, in order to preserve checks and balances needed to preclude fraud, waste, and abuse. In no event shall all of the above functions be performed by the same individual. Purchasing personnel shall not engage in any function other than purchasing functions (i.e., fiscal, receiving, or invoicing/payment, requisitioning, etc.)

2201. CITATION OF FUNDS. Commanders are responsible for the funds under their control and shall cite the applicable appropriation and accounting data on each purchase request. Each request shall show a realistic, estimated cost of the supplies or services and a commitment for this amount to cover the cost of the purchase. Commanders are further responsible for ensuring that funds cited are appropriate for the purpose; i.e., that the proper appropriation is cited, and that the requirement is a fulfillment of the intent of the respective appropriation. Questions concerning the appropriateness of using funds for a specific purpose should be addressed to the Director, Fiscal Division (RFR).

2202. QUANTITIES. Commanders are responsible for ascertaining that all purchase requests reflect the actual needs of the organization and the minimum needs of the Government and that the items requested are required for performance of the command's mission.

2203. PURCHASE REQUESTS. Each request shall set forth the specific supplies and/or services to be purchased and the amount of a specific allotment(s) available therefor. The request shall serve as the authority for a contracting officer to initiate purchase action and for the preparation and execution of the necessary documents for establishing an obligation against the appropriation cited. Purchase action shall not be initiated prior to the receipt of a valid purchase request.

2204. TRANSMITTAL OF PURCHASE REQUIREMENTS

1. From HQMC

a. In order for regional contracting offices to retain familiarity with Marine Corps major end item procurement procedures and to expedite the procurement of command support equipment, field activities may occasionally receive purchase requests for contractual action from HQMC and MARCORSYSCOM. The limitations on purchasing authority imposed by this Manual apply to purchase requests received from Headquarters Marine Corps. If a purchase request is received that exceeds that purchasing activity's purchasing authority, request advice from the CMC (LBO) before proceeding with the purchase.

b. The purchase request from HQMC will be in the form of the DON purchase request, which is currently a Request for Contractual Procurement (RCP), NavCompt Form 2276. The RCP is a purchase request; it does not give necessary administrative approval. All required approvals must be obtained before the item is procured (e.g., Buy American, sole source determinations (can only be granted after award in urgent situations) printing approvals, DPA for FIP resources, etc.) and placed in the contract file. Upon receipt of the RCP, regional activities will acknowledge receipt to the originator of purchase request and provide an anticipated date of obligation. Receipt is acknowledged on the current RCP form, by signature in block 16 and annotating the anticipated date of obligation. Exception may be annotated on the reverse side of the RCP or by separate attachment. Subsequent to the purchase, provide the following to the originator of purchase request:

- (1) Two copies of all obligating documents.
- (2) Two copies of all receipt documents.
- (3) Amount of funds available for withdrawal, if any.

c. All correspondence pertaining to a purchase request, including the obligating and receipt documents, will reference the RCP number. The contract or delivery order number alone is not sufficient.

2. From Regional Activities. When an activity listed in paragraph 2002 receives purchase requirements which exceed their dollar limitation or technical capability, they shall forward them to Headquarters Marine Corps, (LBO).

Requests for purchase action shall be on DD Form 1149 (Requisition and Invoice/Shipping Document), NavCompt Form 2276 and shall contain the following information:

- a. Amount of funds available.
- b. Complete accounting data.
- c. Clear, complete descriptions of the items or services to be purchased.
- d. Suggested sources of supply.
- e. Priority designator.
- f. Desired delivery schedule.
- g. Copy of any applicable justification or clearance.

3. From Regional Contracting Offices. Written approval shall be obtained from the CMC (LBO) prior to the transfer of any contractual action whose value may exceed the small purchase threshold (including options) regardless of prior procurement history, pricing, location of requirement, etc. This applies to the activities listed in paragraphs 2001 and 2002 of this Manual. Contractual actions above the small purchase threshold for activities as indicated in paragraph 2003 will contact their indicated regional contracting office for support.

2205. SPLITTING REQUIREMENTS. Activities shall not, under any circumstances, split their purchase requirements in any manner in order to circumvent the monetary limitations imposed herein.

2206. FACILITIES CONSTRUCTION, REPAIR, AND MAINTENANCE. Requirements originating within the activities listed in paragraph 2001 for contractual services for construction, repair, and maintenance to facilities shall be processed by the activity's public works officer. Similar requirements from the activities listed in paragraphs 2002 and 2003 shall be submitted to the station's public works officer of the naval activity to which attached or to the public works center, in that order (not to the Marine Corps contracting officer serving the command). Small purchases for the preceding which are for minor repairs or maintenance and which do not require inclusion of the Davis-Bacon Act Clause may be accomplished at the activity level.

Coordination concerning specifications, work statements, and inspections should be effected with the local public works officer or the Navy public works center on these purchases.

2207. VALIDATION OF REQUIREMENTS. Commanders shall ensure that all personnel involved in establishing, reviewing, and approving requirements are aware of the fact that contracting officers may procure only the minimum needs of the Government. Needs must be validated and those that appear out of line must be challenged and referred up the line to a level appropriate for resolution. Contracting officers have the authority to refuse to initiate procurement action if the requirement does not meet the foregoing criteria. Activity commanders should institute procedures whereby the contracting officer will have direct access for prompt resolution of any issues that arise regarding minimum needs, questionable requirements, or the reasonableness of prices for the goods or services requested.

CHAPTER 2

AUTHORITY AND RESPONSIBILITIES

SECTION 3: DUTIES AND RESPONSIBILITIES OF CONTRACTING OFFICERS

2300. GENERAL INFORMATION. Contracting for goods and/or services with payment from appropriated funds is governed by 10 U.S.C. 137 which provides that the head of an agency (defined as the Secretary, Under Secretary, or any Assistant Secretary of the Navy), may delegate, with certain exceptions, any power under said chapter to any other officer or official of that agency. The CMC, the DC/S I&L, and the Commander, MARCORSYSCOM have been designated as Heads of a Contracting Activity (HCA) by FAR 2.1., with authority to exercise the powers enumerated in 10 U.S.C. 137. All HCA's are empowered to further delegate such authority to specified individuals.

2301. DERIVATION OF AUTHORITY OF CONTRACTING OFFICERS. Pursuant to the delegated authority from the ASN (RD&A), contracting officers are individuals, appointed by name by the DC/S I&L or Commander, MARCORSYSCOM, who are authorized to enter into contracts on behalf of the United States and to make such determinations and findings as are required by law or regulation. Contracting officers derive their authority from their perspective HCA and perform contracting responsibilities pursuant to the provisions of their appointments. The HCA (DC/S I&L), hereby redelgates to the chief of the regional contracting offices listed in paragraphs 2000 and 2001, authority to appoint contracting officers below the small purchase threshold pursuant to the provisions of their appointment as Marine Corps contracting officers.

2302. DUTIES AND RESPONSIBILITIES OF CONTRACTING OFFICERS

1. Are primarily responsible for the execution and administration of contracts and for safeguarding the interests of the United States in contractual relationships.
2. Shall personally sign all contracts and amendments or modifications thereto. This authority cannot be delegated to others. The signing of contractual documents shall not be accomplished by facsimile stamps or by proxy.
3. Are responsible under law and regulations for their acts as contracting officers.
4. Are responsible for knowing the scope and limitation of their authority.

5. Shall be bound in all their actions to exercise reasonable care, skill, and judgment.
6. Must assure themselves that the contract is authorized by law, that funds are available, and that the Government or its property is not subject to any unusual risks unless specifically authorized.
7. Are responsible for challenging requirements which do not seem to be legitimate needs of the Marine Corps, or which seem to exceed its minimum needs.
8. Are responsible for determining that prices paid are fair and reasonable.
9. Are responsible for performing or having performed any legal or administrative actions necessary to properly assure the satisfactory performance of their contracts.
10. Are responsible for the legal, technical, and administrative sufficiency of the executed contracts. They should not hesitate to secure technical advice from the CMC (LB) on technical matters and legal advice from regional counsel. Regional contracting officers are permitted to communicate directly with the CMC (LB) on technical matters and directly to regional counsel on legal matters.
11. Are responsible for ensuring that contract files supporting negotiated actions are documented per the FAR parts 4.8 and 15.808. In addition to the FAR requirements, contracting officers shall ensure that written documentation of all negotiations, including negotiations with unsuccessful offerors, is prepared and maintained in the official contract files.
12. Are responsible for maintaining constant cognizance with respect to contract performance by the contractor.

2303. PERFORMANCE

1. Activities listed in paragraph 2002 will receive technical guidance directly from the CMC (LBO). Those activities listed in paragraph 2003 that are being supported or are receiving small purchase authority from the regional contracting offices listed therein, will seek technical direction from their respective regional contracting offices. The regional office will contact the CMC (LBO) for further assistance when necessary. Technical control is necessary because the purchasing function is a delegated authority based on the laws of the United States. The field of purchasing is circumscribed by legislation and regulations, affected by principles of business and commercial law, and is influenced by sociopolitical factors.

2. In the event an activity commander is of the opinion that a contracting officer is not performing the purchasing and contractual duties satisfactorily, a full report shall be made to the CMC (LBO) for investigation and appropriate action. If the appointment has been made by a regional contracting officer, the activity commander will forward said report directly to the perspective regional contracting office for investigation and appropriate action.

2304. BUSINESS CLEARANCES

1. Marine Corps regional contracting officers shall request business clearances from the CMC (LBO) per NAPS 1.690 on all contract actions and circumstances set forth in NAPS 1.690-9 when the dollar value of such actions exceed \$500,000, with the exception that MCLB, Albany, shall have an authorized ceiling of \$2,000,000 noncompetitive and \$4,000,000 competitive.

2. All business clearance memorandums submitted per paragraph 2304.1 for an action such as unpriced orders or letter contracts, shall specify a firm ceiling price. In addition, the business clearance memorandum shall fully justify the basis for establishing the maximum limitation of Government liability.

3. A minimum of 10 working days will normally be required to process a business clearance. Contracting officers submitting business clearances to the CMC (LBO) shall ensure that the clearance package contains the original plus 6 copies. Business clearances shall not be requested in a message format.

2305. UNAUTHORIZED COMMITMENTS

1. General Information. Title 31 U.S.C. 1501 requires that there be a binding agreement in writing before contracts may be recorded as an obligation against the Government. FAR 1.602-1(b) provides that no contract shall be entered into unless all applicable requirements of law and regulations have been met. Thus, the ordering and acceptance of supplies and services in advance of a legal contract constitutes an illegal act and does not obligate the Government for the items ordered, but may incur a personal liability to the individual who made the commitment.

2. Policy. Only contracting officers acting within the scope of their authority may enter into contracts on behalf of the Government. Subject to the limitations and procedures prescribed in paragraphs 2305.3 through 5, certain contracting officers may ratify actions initiated or approved by military or civilian employees of the DON who did not have authority to enter into contracts on behalf of the Government, and which resulted in supplies delivered or services rendered to the Government.

3. Limitations

a. Unauthorized commitments made to circumvent or evade the procurement statutes and regulations may not be ratified. The ratifying official must find that the commitment resulted from an urgent or emergency requirement or from a mistake of fact on the part of Government personnel. The ratifying official must also find that the contractor relied on the apparent authority of the officer or employee making the unauthorized commitment.

b. Ratification procedures shall not be used when the contractor has an adequate remedy at law for which the Contracts Disputes Act provides procedures for obtaining relief.

c. Ratification procedures shall not be used if the resulting contract would not otherwise be proper, for example, when funds were not available for obligation at the time the commitment was made, or when the Government was otherwise precluded by law from procuring the supplies delivered or services rendered.

d. These procedures shall not be used unless the ratifying official determines that the price to be paid is fair and reasonable.

e. Ratification procedures shall not be used to authorize the payment of unallowable costs.

f. The ratifying official must be a contracting officer who had authority to enter into the contract at the time the unauthorized commitment was made, and who still has that authority at the time of ratification.

g. Unauthorized commitments may not be ratified when there is a genuine doubt concerning a question of law or fact (see NavCompt Manual, paragraph 046369).

4. Ratification Authority. The authority to ratify unauthorized commitments up to \$2,500 is delegated to the chief of the regional contracting office for activities listed in paragraphs 2000 and 2001; provided, that all proposed ratifications are reviewed by legal counsel as to form and legality. Actions which require ratification in excess of \$2,500 by those activities listed in paragraphs 2000 and 2001 and all actions by those activities listed in paragraph 2002 will be forwarded to the CMC (LBO) and shall contain the information required by paragraph 2305.5, following. The activities listed in paragraphs 2003.1 and 2003.2 that are being supported or are receiving small purchase authority will forward all requests for ratification to the regional contracting office listed therein. For activities listed in paragraphs 2000 and 2001, the regional contracting officer cannot act as both the contracting officer and ratifying official when processing unauthorized commitments up to \$2,500. Two distinct Determination and Findings are required in accordance with NAPS 5201.602-3.

5. Procedures

a. The officer or employee making the unauthorized commitment shall forward to the commanding officer documentation concerning the transaction, which shall include as a minimum:

(1) A statement signed by the military or civilian employee describing the circumstances, why normal procurement procedures were not followed, what bona fide Government requirement necessitated the commitment, whether any benefit was received, its value, and any other pertinent facts.

(2) All orders, invoices, or other documentary evidence of the transaction.

b. If the commanding officer concurs that the commitment should be ratified, then the commanding officer shall forward the documentation described in paragraph 2305.5a to the chief of the regional contracting office with an endorsement that:

(1) Verifies the accuracy and completeness of the documentation.

(2) Describes the measures taken to prevent a recurrence of unauthorized commitments.

(3) Provides a complete purchase description and funding for the ratifying contract.

c. The chief of the regional contracting office (a contracting officer other than the chief of the regional contracting office for unauthorized commitments under \$2,500) shall:

(1) Review the documentation and endorsement provided.

(2) Ascertain whether there are any doubtful questions of fact.

(3) Prepare a separate findings and determinations document that includes the information required by paragraph 2305.3, preceding.

(4) Prepare a recommendation to the ratifying official.

(5) Prepare appropriate contractual documents citing funds available at the time unauthorized actions of the Government took place.

(6) Submit the contract and supporting documents to counsel for an opinion as to form and legality and for any additional pertinent comment or advice. (See NAPS paragraph 5201.602-3(c)(7)(iii).)

d. The ratifying official (chief of the regional contracting office for unauthorized commitments under \$2,500) to whom authority has been delegated pursuant to paragraph 2305.4, preceding shall:

- (1) Review the file and if ratification is proper;
- (2) Make the appropriate findings and determinations; and
- (3) Execute the appropriate contractual document. (See NAPS paragraph 5201.602-3(c)(7)(iii).)

2306. USE OF WARRANTIES. Regional contracting officers listed in paragraphs 2000 and 2001 shall make the determinations required by FAR 46.7 whenever use of a Warranty Clause, other than the Commercial Warranty Clause covered in FAR 46.709 is considered in the best interests of the Government.

2307. APPROVALS REQUIRING REVIEW HIGHER THAN CONTRACTING OFFICERS. Where regulations state that approvals higher than the contracting officer are required, those approvals shall be submitted to the CMC (LBO). However, if the proposed approval has been reviewed by the Field Office of Counsel for the Commandant (CL), it may be effected by the next higher contracting officer at the activity if such is available.

2308. REVIEW BY LEGAL COUNSEL. Where a requirement exists for review by counsel, such reviews shall be accomplished by the Field Office of Counsel for the Commandant (CL). In the event that Counsel is not available, these may be forwarded to the Counsel for the Commandant (CL) via CMC (LBO).

2309. PROCESSING OF PROTESTS FILED WITH THE GENERAL ACCOUNTING OFFICE (GAO)

1. Agency reports must be filed with the GAO within 25 working days from the date of notification to the contracting agency that a protest has been filed.

2. To facilitate processing at HQMC (LBO), it is mandatory that the original of the administrative report and adequate copies for all interested parties be received at least 7 working days prior to the due date for submission of the report.

a. The appropriate field office of Counsel for the Commandant (CL) must review the report prior to submission to LBO.

b. All relevant documents must be submitted.

- c. Confidential and proprietary information must be clearly marked and provided to GAO only.
- d. Attachments must be tabbed, indexed and bound together.
- e. LBO must receive 2 copies of the report and 1 copy of the attachments.

2310. PROCESSING OF PROTESTS FILED WITH THE GENERAL SERVICES
ADMINISTRATION BOARD OF CONTRACT APPEALS (GSBCA)

1. The processing of protests to GSBCA requires more in-depth documentation than a GAO protest in a shorter timeframe.
 2. GSBCA protests are advocacy proceedings involving testimony and trial. Only attorneys are authorized to appear before it. Accordingly, counsel must present the Marine Corps position. It is imperative that the affected activity cooperate with counsel and be prepared to provide witnesses and other logistical support.
 3. The following is a schedule of events required in the processing of a GSBCA protest:
 - a. Protest filing docket.
 - b. Within 1 day after receipt of a copy of the protest, the contracting officer shall give oral or written notice of the protest, to all parties who have an interest.
 - c. Within 6 days, if deemed necessary by the GSBCA, a conference will be held to discuss the protest.
 - d. Within 4 days of notice, any intervenor of right or intervening agency may participate fully as a party to the protest.
- (1) If an interested party in a protest filed either before or after contract award requests a hearing for the board to determine whether to suspend procurement authority pending a decision on the merits of the protest, such a hearing will be held, whenever practicable, so that determination whether to suspend will be made before bid opening or the closing date from receipt of initial proposals, or if bids have been opened on initial proposal received, before the anticipated award of the contract, and in any event no later than 10 days after the filing of the protest. A request for a suspension hearing will be denied if the protest is filed more than 10 days after contract award.

(2) GSBCA shall suspend the respondent's procurement authority, on a delegation thereof pending a decision on the merits of the protest, unless the respondent establishes that: (1) absent suspension, contract award, if not already made is likely to occur within 30 days; and (2) urgent and compelling circumstances which significantly affect interest of the United States will not permit waiting for the decision of the board. The decision regarding suspension will be by order of the panel chairman and may be oral, to be reduced to writing as soon as practicable.

4. The protest file is due within 10 working days from filing of the protests.

5. A dispositive motion filed in lieu of an answer (an answer shall be filed no later than 30 days after the filing of the complaint) shall be filed no later than the date on which the answer is required to be filed.

a. Supplements to the protest file must be filed within 5 days of the submission of the file.

b. No later than 15 days after the filing of the protest, the respondent shall file its answer with the board setting forth its defenses to the protest, and its findings, actions, and recommendations in the matter.

6. A hearing on the merits of a protest will be held no later than 25 working days after the filing of the protest, provided that a written request is filed by the protestor, intervenor of right on the intervening agency no later than 2 days after such party's receipt of the protest answer.

7. Except as GSBCA may otherwise order, post hearing briefs shall be filed in 30 days after the board's receipt of the transcript and in a protest 5 days after the board's receipt of the transcript; reply briefs, if filed, shall be filed 15 days after the parties receipt of the initial post hearing briefs.

8. Redecision on the merits of a protest will be issued by GSBCA within 45 work days after the filing of the protest. It is required when a GSBCA protest is received, that the CMC (LBO), local counsel, and Counsel for the Commandant (CL) be notified immediately of the existence of such protest.

2311. ARMED SERVICES BOARD OF CONTRACT APPEALS (ASBCA) AND CLAIMS COURT. The affected activity must work closely with counsel on these matters and that only attorneys may appear before these forums, CMC (LBO), local counsel, and Associate Counsel for the Commandant (Procurement) must be notified immediately of the existence of the appeal.

MARINE CORPS PURCHASING PROCEDURES MANUAL

CHAPTER 3

OBLIGATION OF FUNDS

	<u>PARAGRAPH</u>	<u>PAGE</u>
GENERAL INFORMATION	3000	3-3
OBLIGATIONS AND EXPENDITURE PERIOD	3001	3-3
PERIOD OF AVAILABILITY	3002	3-4
EXPENDITURES FROM APPROPRIATED FUNDS	3003	3-4
UNAUTHORIZED EXPENDITURES WITH APPROPRIATED FUNDS	3004	3-5
ESTIMATED COST ON PURCHASE REQUEST	3005	3-5
RESPONSIBILITY FOR COMMITMENT	3006	3-6

MARINE CORPS PURCHASING PROCEDURES MANUAL

CHAPTER 3

OBLIGATION OF FUNDS

3000. GENERAL INFORMATION. The availability of appropriations for purchasing is determined by statutes which prescribe the period for incurring obligations and for making expenditures by statutes which govern the application of appropriations, and by statutes which apportion the rate at which obligations may be incurred or expenditures made during the life of appropriations.

3001. OBLIGATIONS AND EXPENDITURE PERIOD. Title 31, U.S.C., section 1502, as amended, provides in part, with respect to the obligation period of appropriations, that:

"The balance of an appropriation or fund limited for obligation to a definite period is available only for payment of expenses properly incurred during the period of availability or to complete contracts properly made within that period of availability. . . ."

With respect to the expenditure period appropriations, Title 31, U.S.C., 1552, provides in part:

"The obligated balance is transferred on September 30th of the 2d fiscal year after the period of availability ends to an appropriation account of the agency responsible for paying the obligation."

The preceding quoted portions of the statutes are, in essence, the foundation for the rule that appropriations are available for incurring obligations during a specified fiscal year and for expenditures for 2 fiscal years in addition to the prescribed period for incurring obligations, unless the appropriation act designates another period for obligation or expenditure. Thus, a fundamental distinction between the types of appropriations relates to their periods of availability for obligation and expenditure. Such types may be classified as follows:

1. One-Year Appropriation. A 1-year appropriation is one which is available for incurring obligation only during a specified fiscal year and which is available for expenditure during such fiscal year and 2 additional fiscal years. The fiscal year of the U.S. Government begins on 1 October and ends 30 September of the following calendar year. All appropriations are presumed to be 1 year in the absence of any expressed provision to the contrary. At the end of the fiscal year, such appropriations are said to expire, which means that they are no longer available for incurring obligations. Appropriation 1701106 (Operation and Maintenance, Marine Corps 1990) is an example of a 1-year or annual appropriation.

2. No-Year Appropriation. A no-year appropriation is one which is available for incurring obligations and for expenditures for an indefinite period of time. Appropriation 17X4913 (Marine Corps Stock Fund) is an example of a no-year appropriation.

3. Multiple-Year Appropriation. A multiple-year appropriation is one which is available for 3 years for incurring obligations and an additional 2 years for expenditures. Appropriation 1701109 (Procurement, Marine Corps) is an example of a multiple-year appropriation.

3002. PERIOD OF AVAILABILITY. The period of availability of appropriations imposes fundamental limitations upon purchasing by the Government. When a purchase action violates these limitations, the Government is precluded by law from payment for such supplies or services as are thereby received. Thus, contracts may be awarded, orders placed, and purchases made during the period available for incurring obligations. This is not to be construed to mean that delivery must be made within the period of time for which the funds are available for obligation. Marine Corps supply/fiscal procedures, however, do require delivery within the period of availability under certain conditions.

3003. EXPENDITURES FROM APPROPRIATED FUNDS

1. Expenditures from appropriated funds are controlled by statutes and regulations, such as the Anti-Deficiency Act which provides major penalties if a Government officer or employee authorizes or creates an obligation, makes an expenditure in excess of an apportionment, allocation, allotment, or in the absence of an appropriation. Federal law also provides that no appropriation can be spent for other than the specific purpose for which it was appropriated and that such appropriations must be utilized only for such projects or goods for which there is a bona fide need during the period for which the funds are available.

2. The issue of when a bona fide need for supplies and/or services arises is a factual determination that depends upon the circumstances of each case. Marine Corps activities will determine that contracts for goods, supplies, or services obligating a fiscal year appropriation are intended to meet a bona fide need of the fiscal year in which the need arises or to replace stocks issued in that year. Conversely, the bona fide need rule does not allow an appropriation for a current fiscal year to be obligated, even during the period of availability, for goods, supplies, or services which will be needed in a future fiscal year. There are other exceptions to the bona fide needs rule. Counsel should be sought when in doubt about this matter.

3. Certain service contracts for maintenance of tools and facilities may be charged to appropriations current at the time the contract is executed for a period of 12 months beginning at anytime during the fiscal year. However, application of this authority is restricted to those services which can be clearly defined as a single undertaking at the time the contract is executed and performance must commence within the same year that the contract is awarded.

3004. UNAUTHORIZED EXPENDITURES WITH APPROPRIATED FUNDS

1. The Comptroller General of the United States has repeatedly ruled that appropriated funds may be utilized only for the purpose for which they were appropriated. Items purchased for the Marine Corps must be needed in support of the mission of the Marine Corps. Items may not be purchased solely to enhance the decor of work spaces or to facilitate the personal convenience or comfort of Government employees, military or civilian.

2. The following are a limited number of examples which the Comptroller General has ruled are not authorized to be paid for with appropriated funds:

a. Coffee pots and related accessories (i.e., cups, spoons, coffee, sugar, napkins, donuts, etc.) for use in office or work spaces.

b. Christmas decorations (this includes trees, cards, nativity scenes, lights, etc.) for any purpose.

c. Marine Corps Ball paraphernalia (this includes, but is not limited to, cakes, decorations, refreshments, rental of facilities, flowers, favors, etc.).

d. Parking violations whether received while conducting Government business or not, are the responsibility of the individual.

e. Flowers for use in base chapels or in support of religious programs.

3. Activities should contact the CMC (LBO) for clarification if a question arises as to whether or not an item can be purchased with appropriated funds.

4. Counsel should be consulted for legal advice concerning the propriety of a purchase.

3005. ESTIMATED COST ON PURCHASE REQUEST. The estimated cost shown on the purchase request is the amount which has been committed by the requesting activity to cover the purchase of the supplies or services. Responsibility for committing funds and

the limitation of such funds are vested exclusively in the allotment holder or the allotment holder's designated representative. If the originator of a purchase request finds it desirable or necessary to restrict purchase action to the amount of funds cited, the following restricting statement shall be included on the requisition. In the absence of a restrictive statement, the purchasing activity is authorized to continue action on the purchase request, notwithstanding the fact that such action may exceed the amount cited. When this occurs, the requesting activity must be promptly notified to ensure commitment of adequate funds.

"Do not exceed amount committed hereon."

or

"Do not exceed amount committed hereon by more than \$."

3006. RESPONSIBILITY FOR COMMITMENT. Responsibility for setting aside sufficient funds to satisfy the total amount of the purchase of the requested supplies or services rests with the commander of the requesting activity. (See paragraph 2200.)

MARINE CORPS PURCHASING PROCEDURES MANUAL

CHAPTER 4

STANDARDS OF CONDUCT

	<u>PARAGRAPH</u>	<u>PAGE</u>
GENERAL INFORMATION	4000	4-3
AUTHORITY	4001	4-3
POLICY WITH REGARD TO POSSIBLE CONFLICT OF INTEREST	4002	4-3
RELEASE OF PREAWARD INFORMATION (PROPOSED CONTRACTS)	4003	4-4
REPORTING SUSPECTED VIOLATIONS	4004	4 -4
ADDITIONAL INFORMATION	4005	4-5
INDOCTRINATION OF PERSONNEL.	4006	4-5
PUBLIC DISPLAY	4007	4-5
STATEMENTS OF FINANCIAL INTEREST	4008	4-5
FREEDOM OF INFORMATION ACT	4009	4-6
PRIVACY ACT.	4010	4-6
PREMIUMS	4011	4-6
FIGURE		
4-1 CERTIFICATION STATEMENT		4-7

CHAPTER 4

STANDARDS OF CONDUCT

4000. GENERAL INFORMATION. All personnel representing the Government in business dealings with representatives of industry are placed in positions of trust and grave responsibility. Many practices which may be normal and generally acceptable in the private business world are not acceptable for Government officials and employees who are conducting the Government's business. Thus, it is essential that all such persons set for themselves the highest standards of personal conduct in their relations with business firms and individuals, thereby ensuring that these relations are above reproach in every respect. It must be realized by all personnel that the acceptance of entertainment, gifts, or favors of any kind (no matter how innocently tendered or received) from anyone who seeks or enjoys profitable business dealings with the Government may compromise and embarrass both the Marine Corps and Marine Corps personnel concerned to the extent of impairing public confidence in the integrity of business relations between the Government and industry.

4001. AUTHORITY. SECNAVINST 5370.2 sets forth the standards of conduct relating to possible conflict between private interests and official duties required of all DoD personnel, regardless of assignment.

4002. POLICY WITH REGARD TO POSSIBLE CONFLICT OF INTEREST

1. Individuals shall not allow themselves to be placed in a position where a conflict of interest might arise, or might justifiably be suspected, by reason of the acceptance of entertainment, gifts, or favors of any kind or by any other action which would result in financial profit to the individual or which could influence or be interpreted as influencing the strict impartiality that must prevail in all business relationships when the public interest is involved.

2. In a case when a person has any financial interest in any business entity, corporation, or partnership (transacting or contemplating transacting business with the Government), that person is disqualified from having any dealings of any kind for or in behalf of the DoD with such business entity. In such cases, it is the duty of the persons concerned to notify their superiors of the facts and request to be relieved of their duties and responsibilities in those particular cases. The matters will then be assigned to someone else of equal or higher grade, who clearly has no conflict of interest, for decision and action.

3. Contracts shall not knowingly be entered into between the Government and employees of the Government or business organizations which are substantially owned or controlled by Government employees, except for the most compelling reasons, such as cases when the needs of the Government cannot reasonably be otherwise supplied.

4. When there is reason to believe that an exception as described in paragraph 4002.3 should be made, approval of the CMC (LB) shall be obtained prior to entering into any such contract.

5. In any case when a superior thinks that any subordinate may be involved in a conflict of interest or an apparent conflict of interest of importance from a public confidence point of view, the superior will discuss the matter with the person involved and may relieve the person of responsibility in the case. The superior will assign the responsibility for taking action to someone else of equal or higher grade who clearly has no conflict of interest for decision and action, or the superior may take the responsibility for decision and action.

4003. RELEASE OF PREAWARD INFORMATION (PROPOSED CONTRACTS)

1. Attention is invited to the policy of the DON that, during the interval between mailing of Invitation for Bids (IFB's) or Request for Proposals (or quotations) and making of awards, discussion of the purchase with prospective contractors and the transmission of technical or other information shall be conducted only by personnel with contractual authority as designated by proper authority, or by counsel with respect to legal matters. Further, necessary transmission of technical or other information to and from contractors during such period may be done by other personnel, when necessary, but only via contracting personnel (at meetings arranged by contracting personnel) or by official correspondence emanating from the contracting officer (those field contracting offices specified in paragraphs 2000 and 2001).

2. In the conduct of any discussion with suppliers, all personnel are cautioned against furnishing any information to a supplier which may afford that individual advantage over the other suppliers solicited. Government personnel should avoid the volunteering of nonessential information regarding a specific or impending purchase which, together with other information assimilated, might afford one supplier an unfair advantage over competitors.

4004. REPORTING SUSPECTED VIOLATIONS. Personnel who have reason to believe that a gratuity (in the form of entertainment, gifts, or otherwise) was offered or given by a contractor or contractor's agent or representative to any person of the

Government with a view toward securing a Marine Corps contract or securing favorable treatment with respect to the awarding or amending, or the making of any determination with respect to the performing of such contract, shall forward a full report of the alleged infraction, properly documented, to the CMC (LBO). In addition, a referral to NIS and/or the base inspector should also be made.

4005. ADDITIONAL INFORMATION. A contractor guilty of offering a gratuity faces criminal prosecution under several sections of the criminal code: 18 U.S.C. 201 (offering a gratuity, 18 U.S.C. 371 (conspiring to defraud the United States), and 18 U.S.C. 1001 (defrauding the United States). On the administrative level, the contractor may be debarred or suspended from the list of contractors eligible to bid for DoD contracts.

4006. INDOCTRINATION OF PERSONNEL

1. All military personnel and civilian employees engaged in such duties as contracting or procurement, technical review of bids/proposals, or other duties and responsibilities which require the exercise of judgment in making a Government decision or in taking Government action in regard to contracting or procurement, shall be thoroughly indoctrinated on their individual responsibilities to adhere to the ethical standards of conduct and shall be reindoctrinated every 12 months thereafter. As a part of this indoctrination, each individual shall read and become thoroughly familiar with the contents of this chapter, a DoDDir in the 5500 series, and MCO 5370.3. Upon assignment to any of these duties, and every year thereafter, every individual so assigned shall be required to read and become thoroughly familiar with the contents of this chapter, SECNAVINST 5370.2, and MCO 5370.3. After receiving indoctrination, each individual shall sign a statement certifying the same. (See figure 4-1.)

2. Such indoctrination and reindoctrination shall be certified by the individual, and the statements of certification shall be retained on file until 5 years after the individual has ceased to serve in duties as enumerated in paragraph 4006.1, preceding.

4007. PUBLIC DISPLAY. A copy of a DoDDir in the 5500 series shall be displayed on the official bulletin board of those Marine Corps contracting offices listed in paragraphs 2000 through 2003.

4008. STATEMENTS OF FINANCIAL INTEREST. Contracting officers will ensure that applicable contracting personnel file

required statements of financial interest per the provisions of MCO 5370.3 and a DoDDir in the 5500 series.

4009. FREEDOM OF INFORMATION ACT. It is the policy of the DoD to make available to the public the maximum amount of information concerning its operations and activities. The kinds of records that must be made available to the public and the procedures to be used in making them available are set forth in MCO 5720.54. Specific inquiries as to release of contracting documents may be addressed to counsel per paragraph 2308.

4010. PRIVACY ACT. The Privacy Act is applicable to all systems of records from which information may be retrieved by the name of the individual, by some identifying number, symbol, or other identifying particular assigned to or associated with an individual. The Privacy Act is based on four principles: no secret Government files or systems of records, no secret use of Government files or systems of records, limitations on the collection of personal information, and safeguarding the accuracy of Government files or systems of records. The Privacy Act was designed to provide safeguards for individuals against invasions of personal privacy. (See MCO P5211.2.) Contracting officers should ensure that contractors, in the performance of contracts, do not have access to personal information or, if the nature of the contract is such that access is necessary, that such information is properly safeguarded. If problems are encountered, advice should be sought per paragraph 2308.

4011. PREMIUMS. When situations are encountered wherein companies offer premiums (e.g., electrical appliances), as an inducement to Government employees to purchase their product, the following procedures shall be followed:

1. Attempt to negotiate a price reduction commensurate with the value of the gift.
2. If reduction cannot be negotiated and the vendor is low after competition or otherwise eligible for award, consummate the purchase, accept the premium, apprise the commanding officer in writing, and request disposition instructions addressed to counsel per paragraph 2308.
3. Advise the CMC (LBO) of on-going premium programs.

Date

TO WHOM IT MAY CONCERN

Subj: STANDARDS OF CONDUCT

Ref: (a) MCO P4200.15__, chap. 4
(b) SECNAVINST 5370.2__
(c) MCO 5370.3__

1. I hereby certify that I have read references (a) through (c) and that I fully understand the standards of conduct I am to uphold while in the (insert appropriate billet description and organization).

(Signature)

(Typed name of individual)

Figure 4-1.--Certification Statement.

MARINE CORPS PURCHASING PROCEDURES MANUAL

CHAPTER 5

GOVERNMENT SOURCES OF SUPPLY

	<u>PARAGRAPH</u>	<u>PAGE</u>
INSTRUCTIONS	5000	5-3
SECTION 1: FEDERAL SUPPLY SCHEDULE (FSS) CONTRACTS		
INFORMATION	5100	5-5
MANDATORY FEDERAL SUPPLY SCHEDULES	5101	5-5
ORDER FOR SUPPLIES OR SERVICES	5102	5-5
FEDERAL SUPPLY SCHEDULES WITH MULTIPLE SOURCE PROVISIONS	5103	5-5
U.S. GOVERNMENT NATIONAL CREDIT CARD	5104	5-6
SECTION 2: GENERAL SERVICES ADMINISTRATION		
INFORMATION	5200	5-11
GSA REGIONAL ADDRESSES AND SERVICE AREAS	5201	5-12
CATALOG OF GSA STOCK ITEMS	5202	5-13
PLACING ORDERS	5203	5-13
MANDATORY SOURCES FOR MAINTENANCE, REPAIR REHABILITATION, AND RECLAMATION OF PERSONAL PROPERTY	5204	5-13
PERSONAL PROPERTY COVERED UNDER MANDATORY GSA TERM CONTRACTS	5205	5-14
ORDER FOR SERVICES	5206	5-14
SECTION 3: PURCHASING FROM FEDERAL PRISON INDUSTRIES, INC.		
APPLICABILITY	5300	5-15

MARINE CORPS PURCHASING PROCEDURES MANUAL

	<u>PARAGRAPH</u>	<u>PAGE</u>
INFORMATION	5301	5-15
PREFERENCE AS BETWEEN PRISON-MADE AND BLIND-MADE SUPPLIES	5302	5-15
LIST OF PRODUCTS	5303	5-15
PLACING ORDERS	5304	5-15
CLEARANCES	5305	5-16

SECTION 4: PURCHASE OF BLIND-MADE AND OTHER SEVERELY HANDICAPPED - MADE PRODUCTS

APPLICABILITY	5400	5-19
INFORMATION	5401	5-19
SCHEDULE OF SUPPLIES WHICH ARE BLIND-MADE .	5402	5-19
MANDATORY PURCHASE OF BLIND-MADE SUPPLIES .	5403	5-19
PURCHASING PROCEDURE	5404	5-20
CLEARANCES	5405	5-21
OPTIONAL PURCHASING OF SUPPLIES OR SERVICES FROM BLIND OR OTHER SEVERELY HANDICAPPED ACTIVITIES	5406	5-21

SECTION 5: INDEFINITE DELIVERY-TYPE CONTRACTS

DEFINITION	5500	5-23
ORDERING	5501	5-23
PREPARATION OF DELIVERY ORDERS	5502	5-23

CHAPTER 5

GOVERNMENT SOURCES OF SUPPLY

5000. INSTRUCTIONS

1. Present Marine Corps supply policy requires the acquisition of supplies, services, and equipment from other military services, the General Services Administration (GSA), or commercial sources. Items stocked in the Marine Corps Supply System (items appearing in the management lists (ML's)), or cataloged in other military service/GSA publications, will be requisitioned through normal supply channels per UM 4400-15 and Marine Corps orders in the 4235 series. For those supplies and services authorized for local purchase, the following Government sources of supply are available to purchasing officers in descending order of priority:

- a. Agency inventories.
 - b. Excess from other agencies.
 - c. Federal Prison Industries (FPI), Inc. (See paragraphs 5300 through 5305.)
 - d. Schedule for blind-made and other severely handicapped-workshop made products. (See paragraphs 5400 through 5406.)
 - e. GSA store depots. (See paragraphs 5200 through 5206.)
 - f. FSS contracts. (See paragraphs 5100 through 5104.)
 - g. Indefinite delivery-type contracts. (See paragraphs 5500 through 5502.)
2. All purchases from commercial sources on an "open-market" basis will be processed per chapter 6 of this Manual.

CHAPTER 5

GOVERNMENT SOURCES OF SUPPLY

SECTION 1. FEDERAL SUPPLY SCHEDULE (FSS) CONTRACTS

5100. INFORMATION

1. The Federal Supply Service of the GSA establishes contracts for common use classes of supplies and services. These contracts are summarized in FSS's, which list the contractors and the supplies or services that may be purchased from them. Military contracting offices shall order their requirements for supplies or services covered by these contracts as set forth in paragraphs 5101 and 5102. Copies of the FSS's and the FSS checklist (a quarterly publication indicating the status of all FSS's) are distributed by the GSA to all contracting activities. Copies of the schedules, checklist, and the general provisions of the FSS contracts are available from the GSA regional offices listed in paragraph 5201. Requests for them should be submitted on GSA Form 457A, which is also available from the regional offices.

2. The U.S. Government National Credit Card (SF 149) may be used to obtain service station supplies and services under FSS contracts, Federal Supply Class (FSC) Group 91. (See paragraph 5104.)

5101. MANDATORY FEDERAL SUPPLY SCHEDULES. Information. The DoD has phased out mandatory FSS. The only exception will be FSG 68 - Chemicals and Gases. Optional multiple award schedules may be used when available. There is no requirement to synopsise and issue formal solicitations when using these schedules. This does not relieve the activity from the requirement to document the file when placing orders for other than the lowest price on the schedule. (Except see FIRMR part 39 for FIP requirements.)

5102. ORDER FOR SUPPLIES OR SERVICES. DD Form 1155 should be used as a delivery order in purchasing supplies or services from FSS contractors, per the instructions contained in chapter 9 and subject to the terms and conditions of each particular FSS contract. The imprest fund or BPA method may be used for small purchases if the contractor will accept orders on this basis.

5103. FEDERAL SUPPLY SCHEDULES WITH MULTIPLE SOURCE PROVISIONS

1. When orders are placed at other than the lowest schedule price, the contracting office shall include in the contract file a memorandum containing the facts justifying the order.

The justification may be based on considerations such as delivery time and administrative expense. When the order is to fulfill a specific or an unusual need, it shall, in addition to any other basis for justification, state the unusual or specific requirements such as difference in performance characteristics and compatibility with existing equipment or systems.

2. When purchase of an item of foreign origin for use in the United States is specifically required, the provisions of chapter 8, are still applicable, notwithstanding the fact that the item is contained in an FSS contract.

5104. U.S. GOVERNMENT NATIONAL CREDIT CARD

1. General Information

a. SF 149 (U.S. Government National Credit Card) is authorized for use by Federal agencies to obtain services and supplies at service stations dispensing items provided by contractors listed in the Defense Fuel Supply Center publication "Your Guide to Service Stations for Gasoline, Oil, and Lubrication" (DFSC H4280.1). Activities requiring copies of the publication should submit requests to the Commander, Defense Fuel Supply Center (Attention: DFSC: OD), Cameron Station, Alexandria, VA 22314.

b. SF 149 is the only Government-wide credit card approved for use by Federal agencies for the procurement of gasoline and services at service stations dispensing items provided by the contractors listed in DFSC H4280.1.

c. It is important that all orders for SF 149 be complete. Incomplete orders will be subject to delay or return. Assistance is available from GSA, telephone (703) 285-2178.

2. Method of Obtaining SF 149

a. Activities request for embossed SF 149's shall be forwarded to the contractor in the format specified in FSS 75, part VII. Requests should be submitted on the purchase order, DD Form 1155 (Order for Supplies or Services/Request for Quotation), and each order shall include the following information for each SF 149 requisitioned:

(1) The billing code.

(2) The complete address for billing purposes, and the name and commercial telephone number of an employee in the office ordering the credit card.

(3) The vehicle tag number or serial number. If a serial number is furnished instead of a vehicle tag number, it shall be

restricted to four characters, all numeric, with zeros used to fill blank positions.

(4) The agency identifier. This is a one-line entry with a maximum of 22 characters identifying the agency or agency department (no Government employee's name will be embossed on the credit card) that is authorized to use the SF 149.

(5) The replacement code if the request is for a replacement for a previously issued SF 149. The replacement code used shall be as follows: A, address or billing account number has changed; B, broken; C, cracked; D, debossed; E, expired; L, lost; or S, stolen.

b. Any order which does not include all of the required data elements or contains inaccurate information will be returned to the sender.

c. The requesting agency may furnish an expiration date (month and year, not to exceed 2 years from the date of the request) for each credit card. If an expiration date is not furnished by the agency, the contractor will emboss an expiration date of 2 years from the date of the request.

3. Billing Code

a. The billing code is a 10-digit number and is embossed on the first line of the SF 149.

b. The first nine digits shall be assigned by the using agency per the following instructions:

(1) The first three digits of the billing code shall always be "002" for the DoD.

(2) The fourth digit shall be "4" for the Marine Corps.

(3) The fifth through ninth digits shall be the station accounting number for the particular activity authorized to use the credit card.

(4) The tenth digit is the validation number for use in automatic billing operations of the contractor. The number 5 is not assigned by the agency but will be determined by the embossing contractor listed in FSC 75, part VII. The validation number will be computed per the American National Standard X4.13-1971, section 5.3.

4. Billing Address. The billing address is the name of the agency and the address to which contractors should send statements or invoices covering the purchase of supplies and

services by the user of the SF 149. The billing address will not be embossed on the SF 149 but shall be maintained on file by the contractor providing the credit cards and by the petroleum contractors listed in DFSC H4280.1.

5. Agency Identifier. The agency identifier is a one-line entry of a maximum of 22 characters embossed on the third line of the SF 149. It identifies the agency or agency department which is authorized to use the SF 149. No Government employee's name will be embossed on the card.

6. Administrative Control of Credit Cards

a. It is essential that Federal agencies ensure that supplies and services procured with the SF 149 are for the official use of the agency involved and that administrative control is maintained to prevent unauthorized use of credit cards. Administrative control shall include the following as a minimum:

(1) A replacement series mark will be embossed on the fifth line at the extreme right side to indicate the number of times a credit card has been replaced as a result of being reported lost or stolen; e.g., R-1.

(2) The license tag number of the vehicle or a four-digit serial number shall be embossed on the fourth line of the credit card. When the license tag number is embossed on the fourth line, the card is to be used to procure supplies and the credit card may be used to obtain supplies and services for any properly identified U.S. Government vehicle, boat, small aircraft, nonvehicular equipment, or motor vehicle that is leased or rented for 60 continuous days or more and is officially identified per the Federal Property Management Regulation (FPMR), S 101-38.305.

b. Agencies shall establish procedures to provide for the following:

(1) Prompt notification to the credit card contractor of lost or stolen credit cards (notifications shall include the date each card was initially reported lost or stolen).

(2) Prompt notification to the credit card contractor of changes or deletions to billing account numbers and/or addresses.

(3) Issuance of requests for replacement of credit cards (requests shall include the reason for replacement for each credit card, indicated by use of the following replacement codes: A, address or billing account number has changed; B, broken; C, cracked; D, debossed; E, expired; L, lost; or S, stolen).

(4) Prompt and positive destruction of all credit cards which have been replaced for any reason, and of lost or stolen credit cards recovered after being reported and/or replaced.

(5) Destruction of credit cards bearing an expiration date that has passed or credit cards bearing an invalid license tag number; e.g., the number of a tag which has been replaced or destroyed.

7. Expiration Date. An expiration date (month and year) not to exceed 2 years will be embossed on the extreme right side of the fourth line of the credit card by the contractor. An expiration date of less than 2 years may be requested by the agency.

8. Centralized Administrative Control of Credit Cards

a. GSA will provide centralized management and control of the SF 149 program. Inquiries concerning the policy and administration of this program shall be directed to the General Services Administration (TMM), Washington, DC 20406.

b. Agency request for credit cards shall be submitted to the contractor and shall conform to the requirements of this temporary regulation. Changes in billing codes and addresses shall also be furnished promptly to the contractor so that there will be proper control of billing procedures.

c. After the determination has been made that the billing code(s) and billing address(es) submitted are correct and are not duplicates, the contractor will process the request and emboss and issue the credit cards.

9. Utilization of Self-Service Facilities. Current Marine Corps policy requires all Government motor vehicle operators purchasing fuel with the SF 149, at authorized contractor service stations to utilize self-service facilities when the self-service pump price is lower than prices at full service pumps.

MARINE CORPS PURCHASING PROCEDURES MANUAL

CHAPTER 5

GOVERNMENT SOURCES OF SUPPLY

SECTION 2: GENERAL SERVICES ADMINISTRATION

5200. INFORMATION

1. When using GSA stores depots as a source of supply for those items authorized for local purchase which are listed in the GSA Stores Stock Catalog, the following exceptions apply:

- a. The order is \$25 or less.
- b. Delivery cannot be met within the requisitioning activity's required delivery date.
- c. Any subsistence or medical item which is under the cognizance of the DPSC.
- d. Any item which is being purchased for resale.
- e. Any item used by commissaries for operation and maintenance which is available through local purchase at a price lower than from GSA stores depots.

2. This section also applies to the mandatory use of GSA services and term contracts for the maintenance, repair, rehabilitation, and reclamation of all personal property described in paragraph 5205, in the United States, Puerto Rico, and the Virgin Islands. Services of this type which are available from FPI and workshops for the blind and severely handicapped shall be purchased under the provisions of sections 3 and 4 of this chapter.

5201. GSA REGIONAL ADDRESSES AND SERVICE AREAS. The following is a list of GSA regional addresses and service areas:

Region 1

620 Post Office and Court
House Building
Boston, MA 02109

Area Served: Maine, Vermont,
New Hampshire, Massachusetts,
Connecticut, and Rhode Island

Region 2

26 Federal Plaza
New York, NY 10007

Area Served: New York, New
Jersey, Pennsylvania, Delaware,
Puerto Rico, and the Virgin
Islands

Region 3

General Services Regional
Office Building
7th and D Streets, SW.
Washington, DC 20407

Area Served: District of
Columbia, Maryland, West
Virginia, and Virginia

Region 4

75 Spring Street, S.W.
Atlanta, GA 30303

Area Served: North Carolina,
South Carolina, Tennessee,
Mississippi, Alabama,
Georgia, and Florida

Region 5

230 South Dearborn Street
Chicago, IL 60604

Area Served: Kentucky, Illinois,
Wisconsin, Michigan, Ohio, and
Indiana

Region 6

1500 East Bannister Road
Kansas City, MO 64131

Area Served: Missouri,
Kansas, North Dakota,
Minnesota, Iowa, and
Nebraska

Region 7

819 Taylor Street
Forth Worth, TX 76102

Area Served: Texas,
Arkansas, Louisiana,
and Oklahoma

Region 8

Denver Federal Center
Building 41
Denver, CO 80225

Area Served: Colorado,
Utah, Wyoming, New
Mexico, and Arizona

Region 9

525 Market Street
San Francisco, CA 94105

Area Served: California,
Nevada, Hawaii, and the
Philippines

Region 10

GSA Center
Auburn, WA 98002

Area Served: Washington,
Oregon, Montana, Idaho,
and Alaska

5202. CATALOG OF GSA STOCK ITEMS. The catalog sets forth, among other things, information with respect to supply items carried in stock by the stores depots, prices and delivery information, and a listing of the stores depots and the GSA regional offices. Copies of the catalog may be obtained from any of the depots or offices listed in paragraph 5201 by submitting GSA Form 457A. Letter requests will normally be honored but should be kept to a minimum.

5203. PLACING ORDERS. MILSTRIP requisitions using the DD Form 1348 series shall be used to obtain supplies from GSA stores depots.

5204. MANDATORY SOURCES FOR MAINTENANCE, REPAIR, REHABILITATION, AND RECLAMATION OF PERSONAL PROPERTY. GSA regional offices provide facilities for maintenance, repair, rehabilitation, and reclamation of Government-owned personal property and, in addition, have term contracts with commercial concerns for similar services. These contracts are published as general services term contracts. When requirements exceed the in-house capabilities of a departmental activity or installation, or it is otherwise required that outside sources be used, it is mandatory that GSA sources for such services be used, except when:

1. The items involved are military weapons systems, specialized military support equipment, or specialized technical or scientific equipment.
2. Such services are available from the FPI or agencies for the blind. (See sections 3 and 4 of this chapter.)
3. The required services are covered by warranty or other preexisting contract.
4. Delivery requirements for repair and refinishing services cannot be met. (The provisions of paragraph 5101 are applicable when determining whether a GSA source can meet the delivery requirements.)
5. The required services are not within the scope of the existing GSA term contract or a waiver is first obtained from the GSA regional property management and disposal service office administering the contract. (Such waivers are not required when the exigency of the purchase will not permit delay. However, telephonic clearances will be given by GSA in appropriate cases.)
6. The requiring activity is outside the geographic area covered in the GSA term contract. (Normally, this area extends no more than a 15-mile radius from the contractor's location. Each contract specifies the area covered which may in some cases extend beyond that distance.)

5205. PERSONAL PROPERTY COVERED UNDER MANDATORY GSA TERM CONTRACTS. The following items of personal property are indicative of those for which GSA sources are mandatory for maintenance, repair, rehabilitation, and reclamation services. They are not all-inclusive. For detailed listings, see the latest Federal supply catalog entitled "Guide to Source of Supply and Service." Copies are available from the GSA regional offices and should be obtained by each installation and activity which may have need of such services. Copies of existing GSA term contracts for these services are routinely forwarded by each GSA regional office to all affected Government activities within the respective regions.

Sample List of Items

Calculators

Fire Extinguishers (Industrial and Commercial)

Furniture (Office, Household, Quarters, Institutional, and Hospital-Type)

Household Appliances

Mattresses

Motors and Generators (Industrial and Commercial)

Tires (Except for Aircraft)

Watches and Clocks (Industrial and Commercial)

5206. ORDER FOR SERVICES. Orders for maintenance, repair, rehabilitation, or reclamation services from GSA sources shall be placed as follows:

1. GSA Repair Facility. A delivery order on DD Form 1155 shall be submitted to the GSA regional office which normally serves the procuring activity. Each delivery order which is subject to fiscal year limitations necessitating GSA purchasing action to be completed not later than 30 September shall contain notation to that effect.

2. Commercial Sources. Delivery orders on DD Form 1155 will be placed directly with contractors pursuant to GSA term contracts.

MARINE CORPS PURCHASING PROCEDURES MANUAL

CHAPTER 5

GOVERNMENT SOURCES OF SUPPLY

SECTION 3: PURCHASING FROM FEDERAL PRISON INDUSTRIES, INC.

5300. APPLICABILITY. This section is not applicable to supplies both purchased and used outside the United States.

5301. INFORMATION. The FPI is a wholly-owned Government corporation, established in 1934 under acts of Congress and an executive order which are now incorporated in 31 U.S.C. The function of the corporation is to provide training and employment for prisoners confined in Federal penal and correctional institutions. The articles produced are not sold to the public but only to departments and agencies of the United States and are in strict conformity with Federal specifications. It is MANDATORY for Federal departments and agencies to purchase the products of the FPI which meet their requirements, subject to availability within the required timeframe and the provisions of paragraph 5302.

5302. PREFERENCE AS BETWEEN PRISON-MADE AND BLIND-MADE SUPPLIES. In any case when similar supplies are manufactured or offered for sale both by Federal penal and correctional institutions and by workshops for the blind and other severely handicapped, the supplies must be purchased from the FPI to the extent available.

5303. LIST OF PRODUCTS. Articles manufactured in Federal prisons are listed in the "Schedule of Products Made in Federal Penal and Correctional Institutions," hereinafter referred to as schedule of prison-made products. Activities shall request distribution of the schedule of prison-made products and changes thereto from Federal Prison Industries, Inc., c/o United States Department of Justice, Washington, DC 20537.

5304. PLACING ORDERS

1. Orders will be placed by delivery order on DD Form 1155 per the instructions contained in chapter 9 and the ordering instructions contained in the schedule of prison-made products.
2. Supplies listed in the schedule of prison-made products shall be purchased directly from FPI when the supplies:
 - a. Require export packing.
 - b. Are required in carload lots as described in the consolidated freight classification for the commodity concerned.

c. Are required in less than carload lots but are not stocked by GSA stores depots.

3. Supplies listed in the schedule of prison-made products which are required in less than carload lots and are stocked by GSA stores depots shall be purchased from such depots, except that purchasing shall be made when:

a. The purchasing activity or installation is so located that it is more practical and economical to purchase directly from FPI.

b. The GSA stores depot is temporarily unable to furnish the item, in which case the depot will so advise the purchasing activity.

4. In any case, when similar supplies are offered for sale both by FPI and agencies for the blind, the supplies must be purchased from FPI to the extent available.

5. Exceptions--supplies listed in the schedule or prison-made products may be procured through National Industries for the Blind (NIB) or from commercial sources without securing clearance from FPI, under any of the following conditions:

a. When immediate delivery or performance is required by public exigency.

b. When suitable used supplies can be obtained.

c. When the total cost of the order is \$25 or less.

5305. CLEARANCES

1. In addition to the exceptions provided in paragraph 5304.5, the military departments may purchase, through NIB or from commercial sources, supplies of the types listed in the schedule of prison-made products to the extent only that such purchase is specifically authorized in clearances issued by FPI, as set forth in paragraphs 5305.1a and b, following:

a. General clearances are issued by FPI when classes of supplies are not available from Federal penal and correctional institutions or when it is otherwise in the best interest of the Government to allow purchases of those classes of supplies from agencies for the blind or from commercial sources. A copy of each general clearance is forwarded to the DoD for dissemination to the military departments. Purchase orders or contracts written pursuant to a general clearance need not be supported by a copy of the clearance, but the clearance number must be cited on the purchase order or contract as well as on the initial voucher.

b. Formal clearances are issued in response to requests initiated by contracting activities or installations desiring to purchase from agencies for the blind or from commercial sources, those supplies of the type listed in the schedule of prison-made products, when such supplies are not covered by a general clearance. Requests for formal clearances shall be addressed to Federal Prison Industries, Inc., c/o Department of Justice, Washington, DC 20537. Actual purchase of the required supplies shall not be consummated prior to the issuance of the formal clearance. A copy of the clearance certificate must be attached to the initial voucher.

2. Purchases from other sources because of lower prices are generally not authorized, and clearances will not normally be issued on this basis.

MARINE CORPS PURCHASING PROCEDURES MANUAL

CHAPTER 5

GOVERNMENT SOURCES OF SUPPLY

SECTION 4: PURCHASE OF BLIND-MADE AND OTHER SEVERELY
HANDICAPPED-MADE PRODUCTS

5400. APPLICABILITY. This section is applicable to supplies purchased within the United States.

5401. INFORMATION. Supplies listed in the Schedule of Blind and Severely Handicapped-Made Products shall be purchased per the policies and procedures set forth in this part.

5402. SCHEDULE OF SUPPLIES WHICH ARE BLIND-MADE. Supplies manufactured by workshops for the Blind and Severely Handicapped are listed in the Procurement List of Supplies and Services provided by the blind and other severely handicapped, hereinafter referred to as the procurement list, copies of which may be obtained by submission of GSA Form 457 to the General Services Administration, Building 41, Denver Federal Center, Denver, Colorado 80225, Mailing Code oo/sc-0002. Items available from stocks at GSA stores depots and through DLA are so identified in the procurement list.

5403. MANDATORY PURCHASE OF BLIND-MADE SUPPLIES. Except as provided in paragraph 5302, supplies listed in the procurement list shall be purchased as follows:

1. Orders for centrally managed supplies shall be placed per paragraph 5404.1.
2. Orders for supplies which have been decentralized for local purchase shall be submitted to the GSA stores depot which can best serve the contracting activity except that, when one of the following conditions is present, purchases shall be per paragraph 5404.1:
 - a. Supplies require overseas packaging or packing.
 - b. Supplies are required in carload lots, as described in the consolidated freight classification for the commodity concerned.
 - c. Supplies are stocked by GSA stores depots, but the contracting activity is so located that it is more practical and economical to purchase directly from the workshops for the blind or other severely handicapped which manufactures the supplies rather than from the stores depot.

d. The procurement list indicates that the supplies are not stocked by GSA stores depots.

e. Delivery requirements cannot be met.

5404. PURCHASING PROCEDURE

1. When a firm requirement exists, a letter request for allocation (i.e., the designation of a workshop or workshops to manufacture the supplies or perform the services) shall be submitted to the central nonprofit agency designated in the procurement list. Sufficient leadtime shall be allowed for the nonprofit agency to reply and for the order to be placed to meet the required delivery schedule.

a. The request for allocation shall contain the following:

(1) Nomenclature, stock number, latest specifications, quantity, unit price, date delivery is required, and destination to which delivery is to be made if destination is pertinent to the price.

(2) Packing, packaging, or marking, if other than the standard as required by the specification cited on the procurement list.

(3) For services--the type and location of service required, latest specification, work to be performed, estimated volume, and required dates of completion.

b. Upon receipt of an allocation, the contracting office shall promptly issue a delivery order to the specified workshop, as instructed in the allocation. If issuance of a delivery order is to be delayed for more than 15 days beyond receipt of the allocation or if the requirement is to be canceled, the central nonprofit agency is to be notified immediately.

c. Central nonprofit agency workshops may authorize the issuance of delivery orders directly to designated workshops and will specify the normal delivery or performance leadtime required by the workshops.

d. DD Form 1155 shall be used as a delivery order for direct orders. Such orders may be issued without limitation as to dollar amount and shall be recorded as obligations upon issuance.

2. The DD Form 1348 series shall be used to obtain blind-made and other severely handicapped-made supplies from GSA stores and depots.

5405. CLEARANCES. A contracting office may purchase supplies or services listed in the procurement list from commercial sources only to the extent that such procurement is specifically authorized in a purchase exception granted by the central nonprofit agency.

1. Exceptions will be granted when both of the following conditions are met:

a. The commodity or service cannot be provided by the workshops within the time period required.

b. The commodity or service is available from other services in the quantities and at an earlier time than is available from workshops.

2. Exceptions may be granted whenever the quantity required is insufficient for commercial production.

3. When an exception is granted, purchase action shall be initiated within 15 days following the date of the exception. A copy of the contracting officer's solicitation or quote shall be provided the central nonprofit agency at the time it is issued.

5406. OPTIONAL PURCHASING OF SUPPLIES OR SERVICES FROM BLIND OR OTHER SEVERELY HANDICAPPED ACTIVITIES. Supplies and services not contained in the procurement list may be purchased from an agency or workshop of the blind and other severely handicapped organization, when such activity is the low responsive, responsible offeror, under a solicitation issued per the authorized purchasing methods described in chapter 6 of this Manual.

CHAPTER 5

GOVERNMENT SOURCES OF SUPPLY

SECTION 5: INDEFINITE DELIVERY-TYPE CONTRACTS

5500. DEFINITION. Indefinite delivery-type contracts are contracts used when the exact time of delivery, quantity to be delivered, or delivery destination is not known at the time the contract is placed (e.g., FSS contracts; supply bulletins for subsistence items; petroleum, oil, and lubricants (POL) contracts of the Defense Fuel Supply Center; and other requirements contracts issued by DoD activities, such as Air Force contracts for commercial communications equipment and Marine Corps contracts for magazine subscriptions).

5501. ORDERING. Activities authorized to order under indefinite delivery-type contracts are designated in the contract either by name or organization. Copies of contracts or contract bulletins, summarizing information necessary for the placement of orders under such contracts, are usually distributed automatically to authorized ordering activities.

5502. PREPARATION OF DELIVERY ORDERS. Delivery orders against indefinite delivery-type contracts shall be prepared on DD Form 1155 per the instructions contained in the contract and chapter 9.

MARINE CORPS PURCHASING PROCEDURES MANUAL

CHAPTER 6

OPEN MARKET PURCHASING

	<u>PARAGRAPH</u>	<u>PAGE</u>
INFORMATION	6000	6-5
SCOPE	6001	6-5
DEFINITIONS	6002	6-6
CHOOSING A SMALL PURCHASE METHOD	6003	6-7
OBTAINING PRICE QUOTATIONS	6004	6-8
SELECTING A SUPPLIER (MAKING AWARD)	6005	6-13
INSTRUCTIONS FOR HANDLING MISTAKES IN BIDS .	6006	6-14

SECTION 1: IMPREST FUND (ADMINISTRATION)

DEFINITION	6100	6-17
AUTHORITY	6101	6-17
AMOUNT OF IMPREST FUNDS	6102	6-17
APPOINTMENT OF THE IMPREST FUND CASHIER . .	6103	6-18
ACCEPTANCE	6104	6-19
LOCATION OF THE FUND	6105	6-19
GENERAL MANAGEMENT	6106	6-19
ONE FUND PER ACTIVITY	6107	6-19
ALTERNATE IMPREST FUND CASHIER	6108	6-19
ACQUIRING FUNDS	6109	6-19
SAFEKEEPING OF CASH AND VOUCHERS	6110	6-19
ABSENCE OF THE PRINCIPAL IMPREST FUND CASHIER	6111	6-20

MARINE CORPS PURCHASING PROCEDURES MANUAL

	<u>PARAGRAPH</u>	<u>PAGE</u>
ADVANCE OF FUNDS	6112	6-21
AUDIT, INSPECTION, AND VERIFICATION OF FUNDS	6113	6-21
RELIEF OF THE IMPREST FUND CASHIER	6114	6-23
TURN-IN OF EXCESS FUNDS	6115	6-26

SECTION 2: IMPREST FUND (PURCHASING)

INFORMATION	6200	6-27
LIMITATIONS	6201	6-27
AUTHORIZED IMPREST FUND EXPENDITURES	6202	6-27
UNAUTHORIZED IMPREST FUND EXPENDITURES	6203	6-29
DELIVERY	6204	6-29
DEALER'S INVOICE	6205	6-29
GROUP RECEIPTS	6206	6-31
PAYMENT BY CHECK	6207	6-31
TAX EXEMPTIONS	6208	6-31
RECEIVING	6209	6-31
REFUNDS	6210	6-32
THE C.O.D. CHARGES	6211	6-32

SECTION 3: PURCHASE ORDERS

INFORMATION	6300	6-35
USE OF DD FORM 1155	6301	6-35

MARINE CORPS PURCHASING PROCEDURES MANUAL

	<u>PARAGRAPH</u>	<u>PAGE</u>
USE OF RELATED FORMS	6302	6-39
REQUIRED CLAUSES	6303	6-39
PREPARATION OF PURCHASE ORDERS	6304	6-40
UNPRICED ORDERS	6305	6-40
TERMINATION OF PURCHASE ORDERS	6306	6-41
OBTAINING CONTRACTOR ACCEPTANCE AND MODIFYING PURCHASE ORDER	6307	6-42
DISTRIBUTION OF PURCHASE ORDERS	6308	6-42
PURCHASE ORDER FILES	6309	6-43
ADVANCE PAYMENTS	6310	6-43
PAYMENT PROCEDURES	6311	6-44
PURCHASE ORDERS FOR SERVICES	6312	6-44

SECTION 4: BLANKET PURCHASE AGREEMENTS

INFORMATION	6400	6-45
CONDITIONS FOR USE	6401	6-45
LIMITATIONS	6402	6-45
PLACING BPA'S	6403	6-46
PREPARATION OF BPA'S	6404	6-46
PLACING CALLS AGAINST BPA'S	6405	6-49
RECORDING OF OBLIGATIONS UNDER BPA'S	6406	6-50
CONTROLS	6407	6-52
REVIEW PROCEDURE	6408	6-52

MARINE CORPS PURCHASING PROCEDURES MANUAL

SECTION 5: PURCHASE ORDER-INVOICE VOUCHER METHOD

	<u>PARAGRAPH</u>	<u>PAGE</u>
INFORMATION	6500	6-53
CONDITIONS FOR USE	6501	6-53
SECURITY OF SF 44	6502	6-53
PREPARATION	6503	6-53
USE OF DD FORM 1155	6504	6-54

SECTION 6: FAST PAYMENT PROCEDURES

INFORMATION	6600	6-57
CONDITIONS FOR USE	6601	6-57
PREPARATION AND EXECUTION	6602	6-59
RESPONSIBILITY FOR COLLECTION OF DEBTS	6603	6-60

CHAPTER 6

OPEN-MARKET PURCHASING

6000. INFORMATION. Open-market purchasing is the method whereby an agency of the Government acquires ownership or control of supplies or receives the benefit of services from commercial sources in exchange, generally, for the payment of appropriated funds. All Marine Corps activities shall ensure that prescribed Government sources of supply shall be used to the maximum extent practicable prior to acquiring supplies or services through an open-market purchasing method. Contracting authority at Marine Corps activities shall be subject to the limitations set forth in chapter 2 of this Manual.

6001. SCOPE

1. Limitations. Marine Corps Regional contracting offices shall be subject to the small purchase threshold when effecting small purchases on an open-market basis. (See FAR 13.000.)

2. Procedures. This part sets forth small purchase procedures for open-market purchasing of supplies and/or services from commercial sources. The following subjects are covered:

- a. Choosing a small purchase method. (See paragraph 6003.)
- b. Obtaining price quotations (competition). (See paragraph 6004.)
- c. Selecting a supplier (making award). (See paragraph 6005.)
- d. Imprest fund (administration). (See section 1 of this chapter.)
- e. Imprest fund (purchasing). (See section 2 of this chapter.)
- f. Purchase orders. (See section 3 of this chapter.)
- g. BPA's. (See section 4 of this chapter.)
- h. Purchase order-invoice-voucher method. (See section 5 of this chapter.)

6002. DEFINITIONS

1. Small Purchase. To qualify as a small purchase, the total amount obligated by the purchasing instrument must be at or below the FAR part 13 threshold. That can be one or a series of transitions (including modifications) which, in total, remain at or below the threshold. The term does not include contracts, regardless of the amount.

2. Local Purchase. The authorized purchase of materials, supplies, or services by an installation for its own use or the use of an installation or activity logistically supported by it. Local purchase is not limited to the immediate geographical area in which the contracting office is located.

3. Bulk Funding Concept. A system whereby a contracting officer receives authorization from a fiscal officer (allotment administrator) to obligate funds on purchase documents against a specified lump sum of funds reserved for a specified purpose or during a specified period rather than obtaining individual commitment for each. The bulk funding concept shall be used to the maximum extent practicable, to reduce processing delays such as double handling.

4. Local Trade Area. The immediate metropolitan shopping area most accessible to the contracting activity.

5. Responsible Supplier. Purchases shall be made only from responsible suppliers. Generally, one who regularly deals in or manufactures the item to be purchased and does not have an unsatisfactory record of past deliveries or performance.

6. Abstract of Quotations. The record sheet on which all quotations received are itemized, listing prices, payment terms, and delivery time, thus providing a "picture" of the results of the solicitation for ease of evaluation. (See paragraph 6005.1.)

7. Immediately Available. The term "immediately available" as used herein means available over the counter at that time (not for delivery later).

6003. CHOOSING A SMALL PURCHASE METHOD

1. The contracting officer shall use any of the purchase methods described in this chapter which are determined to be most suitable to the immediate requirement and which will accomplish the transaction in the most efficient and economical manner, subject to the limitations imposed.

2. Purchase requests for like items, such as hardware or automotive parts, will be grouped and accomplished, insofar as possible, as a single purchase transaction. Requirements will not be split or broken down in such a manner to circumvent the monetary limitation imposed herein for the purpose of permitting negotiation or using another of the small purchase methods prescribed. Purchases in excess of authorized dollar limitations, or beyond the scope of the contracting activity, shall be handled per paragraph 2204.

3. To the maximum extent practicable, all purchases less than \$25,000 shall be reserved for small business concerns. When the purchase cannot be made from a small business concern or when small business prices are unreasonable, the file shall be documented accordingly. Generally, a small business firm is defined as one which has less than 500 employees (for manufactured products) or annual receipts of \$2 million (for services).

4. The imprest fund method is the preferred method of small purchases and should be used when essential requirements of the purchase transactions are as follows:

- a. One delivery and one payment.
- b. Total value does not exceed \$500 to include freight and cash on delivery (c.o.d.) charges.
- c. Supplies or services are available within 60 days from the local trade area or c.o.d. from outside the local area.
- d. The purchase does not require detailed technical specifications or technical inspection.
- e. The purchase order file shall be documented as to why the imprest fund or BPA was not used if the purchase met the prerequisites. Example: "The vendor requested c.o.d."

5. The purchase order method shall be used when:

- a. The total value of the transaction does not exceed the limitations set forth in paragraph 6001.1.
- b. More than one delivery or one payment is necessary.
- c. The purchase is classified.

d. It is desirable to have the terms of the transaction in writing.

6. The Blanket Purchase Agreement is a simplified method of filling anticipated, repetitive needs for small quantities of supplies or services by establishing "charge accounts" with qualified sources of supply. The BPA's are designed to reduce administrative costs in accomplishing small purchases by eliminating the need for issuing individual purchase documents.

7. The order-invoice-voucher is designed for use primarily for over-the counter purchases by authorized individuals while away from the contracting office or at isolated activities. It is considered suitable when all of the following conditions exist:

- a. The transaction is not in excess of \$2,500.
- b. Supplies or services are immediately available.
- c. One delivery and one payment will be made.

6004. OBTAINING PRICE QUOTATIONS

1. Purchases Not in Excess of \$2,500. Small purchases not exceeding \$2,500 may be accomplished without securing competitive quotations if the prices are considered to be reasonable. Such purchases shall be distributed equitably among qualified suppliers. When practicable, a quotation will be solicited from other than the previous supplier prior to placing a repeat order.

2. Competition in Purchases in Excess of \$2,500

a. Solicitation of quotations above the dollar thresholds cited in paragraph 6004.1 from a reasonable number of qualified sources of supply shall be made to assure that the purchase is to the advantage of the Government, price and other factors considered, including the administrative cost of the purchase. Generally, solicitation shall be limited to three suppliers and, to the maximum extent possible, shall be restricted to the local trade area of either the purchasing or the receiving activity. If practicable, two sources not included in the previous solicitation should be requested to furnish quotations. Quotations should generally be solicited orally. Written solicitations utilizing the DD Form 1155 should be used in the following circumstances:

(1) Special specifications are involved.

(2) A large number of line items are included in a single proposed purchase.

(2) A large number of line items are included in a single proposed purchase.

(3) Obtaining oral quotations is not considered economical or possible.

b. Reasonableness of a proposed price should be based on competitive quotations. If only one response is received, or the price variance between multiple responses reflects lack of adequate competition, a statement shall be included in the contract file setting forth the basis of the determination of fair and reasonable price. This determination may be based on previous purchases, current pricelists, catalogs, advertisements, similar items in a related industry, value analysis, the contracting officer's personal knowledge of the item being purchased, or any other means. Written records of solicitation may be limited to notes or abstracts to show vendor or vendors contacted, prices, delivery, and any other informal historical data. The contracting officer should gain as much knowledge as practicable of the physical and material characteristics and intended use of the item to be purchased. When only one source is solicited, an additional notation must be made to explain the absence of competition, except for purchasing of utility services available only from one source or of educational services from nonprofit institutions. Notification to unsuccessful suppliers shall be given only if requested.

c. Occasionally, an item can be obtained only from a supplier who quotes a minimum order price or quantity which either unreasonably exceeds stated quantity requirements or results in an unreasonable price for the quantities required. If practicable, before placing the order, the requiring activity should be informed in such cases of all facts regarding the quotation and requested to confirm or alter its requirement for the item or items under consideration. The file shall be documented to support the final action taken.

3. Related Common Items Grouped Together. When related common items are grouped together for the purpose of reducing administrative time and cost of the purchase transaction, the award may be made by lot (lowest aggregate quotation) rather than by item. In soliciting quotations on this basis, each supplier shall be advised of this award procedure when the quotation is requested.

5. Purchase Descriptions

a. A purchase description may be used in lieu of a specification where no applicable specification exists. An adequate purchase description is an aid to competition and, in the absence of competition, aids in determining the reasonableness of price. A purchase description should set forth the essential physical and functional characteristics of the

materials or services required. As many of the following characteristics as are necessary to express the minimum requirements of the Government should be used in preparing purchase descriptions:

- (1) Common nomenclature.
- (2) Kind of material; i.e., type, grade, alternatives, etc.
- (3) Electrical data, if any.
- (4) Dimensions, size, or capacity.
- (5) Principles of operation.
- (6) Restrictive environmental conditions.
- (7) Intended use, including:
 - (a) Location within an assembly.
 - (b) Essential operating conditions.
- (8) Equipment with which the item is to be used.
- (9) Other pertinent information that further describes the item, material, or service required. Purchase descriptions shall not be written so as to specify a product, or a particular feature of a product, peculiar to one manufacturer and thereby preclude considerations of a product manufactured by another company, unless it is determined that the particular feature is essential to the Government's requirements and that similar products of other companies lacking the particular feature would not meet the minimum requirements for the item. Generally, the minimum acceptable purchase description is the identification of a requirement by use of brand name followed by the words "or equal." This technique should be used only when an adequate specification or more detailed description cannot feasibly be made available by means other than reverse engineering in time for the purchase under consideration. Purchase descriptions of services to be purchased should outline, to the greatest degree practicable, the specific services the contractor is expected to perform.

b. The words "or equal" should not be added when it has been determined per paragraph 6004.5a that only a particular product meets the essential requirements of the Government as, for example:

- (1) When the required supplies can be obtained only from one source.

(2) Purchases negotiated for specified medicines or medical supplies, when it has been determined that only a particular brand name product will meet the essential requirements of the Government.

(3) Purchases negotiated for supplies for resale, when it has been determined by a selling activity that only a particular brand name product will meet the desires or preferences of its patrons and the clause from paragraph 3017.2, MCO 4065.1.

c. Brand name or equal purchase description:

(1) The term "brand name product" means a commercial product described by brand name and make or model number or other appropriate nomenclature by which such product is offered for sale to the public by the particular manufacturer, producer, or distributor. Where feasible, all known acceptable brand name products should be referenced. When a "brand name or equal" purchase description is used, prospective contractors must be given the opportunity to offer products other than those specifically referenced by brand name if such other products will meet the needs of the Government in essentially the same manner as those referenced. If modifications to manufacturers' standard products to meet the purchase description requirements are anticipated, a minimum of 30 calendar days shall be allowed between issuance of the solicitation and opening of bids or receipts of proposals, provided that periods of less than 30 days may be set in cases of urgency.

(2) Brand name or equal purchase descriptions should set forth those salient physical, functional, or other characteristics of the referenced products which are essential to the needs of the Government. For example, when interchangeability of parts is required, such requirement should be specified. Purchase descriptions should contain the following information, to the extent available, and include such other information as is necessary to describe the items required.

(a) Complete common generic identification of the item required.

(b) Applicable model, make, or catalog number for each brand name product referenced, and identity of the commercial catalog in which it appears.

(c) Name of manufacturer, producer, or distributor of each brand name product referenced (and address, if company is not well known).

(3) When necessary to describe adequately the item required, and applicable commercial catalog description, or pertinent extracts therefrom, may be used if such description is identified in the IFB or request for proposals as being that of

the particular named manufacture, producer, or distributor. The contracting officer will ensure that a copy of any catalogs referenced (except parts catalogs) is available on request for review by bidders at the purchasing office.

6. Federal and Military Specifications. When it is necessary or appropriate to specify a Federal or military specification in the request for quotation, firms submitting quotations will be advised where they can review the specification or obtain a copy thereof.

a. Firms may obtain single copies of Federal specifications from the nearest GSA regional office.

b. Copies of unclassified Federal, military, and other standards and specifications may be obtained from the Commanding Officer, U.S. Naval Publications and Forms Center, 5801 Tabor Avenue, Philadelphia, PA 19120, by submitting requests on DD Form 1425.

c. Firms must be advised to refer to the request for quotation number and issuing office when requesting copies of specifications from these sources.

d. Brand names are not used in conjunction with Federal or military specifications.

e. A firm inserting a brand name on the request for quotation proposes to furnish that brand and/or model number and does not always guarantee the product's conformance to the specification. Responsibility for assuring that the brand name offered conforms to the essential elements of the specification rests with the contracting officer and must be established before issuing the award.

f. Referenced specifications and standards shall be tailored in their application. Tailoring consists of the exclusion of those sections, paragraphs, or sentences of individual specifications and standards not required for a specific purchase so that each document applied states only the minimum requirements of the Government. Such tailoring need not be made a part of the basic specification or standard but will vary with each application, dependent on the nature of the purchase. When specifications are cited, they and all amendments or revisions applicable to the purchase shall be identified, including the respective approval dates of the applicable issue, revision, amendment, or notices. When specifications, standards, or other documents are referenced in cited specifications, their effective issue or revision shall be that listed in the Department of Defense Index of Specifications and Standards (DoDISS) and supplements thereto, unless specific issues are set forth in the solicitation or different issues than those specified in the cited specifications are set forth in the solicitation. The date

of the applicable DoDISS and supplements thereto shall be set forth in the solicitation. Copies of all specifications, standards, and other documents citing issue dates other than those shown for the documents by the specified DoDISS must be furnished with the solicitation or shall state where such documents may be obtained (see paragraph 6004.6b) or examined. The requirement to identify the DoDISS, specifications, standards, and other documents by issue refers to the specific calendar date of approval printed on the document or the latest applicable amendment or revision notice. General identification, such as "the issue in effect on the date of the solicitation" or similar language, shall not be used. Drawings and data furnished with solicitations shall be clear and legible.

7. Time of Opening. Quotations may be opened and the award made when all quotations have been returned, notwithstanding the fact that the date prescribed for opening in the quotation is not at hand.

8. Safekeeping Quotations. While locked security is not required for quotations under \$25,000, good business practices dictate careful and discreet handling and safeguarding of the contents of all quotations up to the time of the award.

9. Discussion with Suppliers. Suppliers are understandably anxious to know at the earliest date the status of their quotations and, to this end, may seek whatever information they can obtain. Such information as to the number of quotations solicited, range of prices quoted, standing of prices submitted, and advice as to whether the price is "in line," "favorable," or any other words or actions from which improper inference could be drawn, while seemingly innocent, tends to encourage more probing, promote the auction technique, and, in general, serves to weaken the integrity of negotiated purchasing. (See paragraph 4003.)

6005. SELECTING A SUPPLIER (MAKING AWARD)

1. Written or Oral Quotations. Quotations, written or oral, will be recorded either on DD Form 1501 (Bid Abstract Sheet), directly on the purchase request, or on any other appropriate worksheet. The abstract sheet shall be retained with the purchase document.

2. Transportation Charges. Quotations which are submitted on other than a free on board (f.o.b.) destination basis shall be evaluated inclusive of all transportation costs. (See paragraph 7005.)

3. Discounts. Quotations offering prompt payment or trade discounts shall be evaluated as prescribed by paragraph 7006.

4. Indefinite Price. Quotations which are indefinite as to price or are based on price escalation shall not be considered.

5. Indefinite Delivery. Quotations which are contingent on the availability of supplies or are otherwise indefinite as to a firm delivery date or time shall not be considered.

6. Lower Bidder. Award shall be made on the basis of lowest prices received from responsible suppliers, consistent with delivery and specification requirements. If award is made to other than the low bidder, the contracting officer shall make a written explanation of the circumstances for the transaction file.

7. Deviations from Specification. Quotations failing to conform to essential requirements of the specifications may be rejected and need not be considered in the evaluation. A written explanation of the reason for the rejection will be kept on file with the abstract.

8. Mistakes in Quotations. Apparent mistakes in written quotations, such as prices which are noticeably out of line with those of the other suppliers, misplaced decimal points, designation of unit of measure, etc., shall be clarified prior to award by contacting the supplier and asking for a review and confirmation of that part of the quotation. Confirmation should be in writing. (See paragraph 6006.)

9. Equal Low Bids. When bids are equal in all respects (dollar amount, small business, and LSA size status) and the tie cannot be broken by further negotiation, award shall be made by a drawing by lot which shall be witnessed by at least three persons from other than the contracting organization; and the abstract shall be annotated accordingly.

10. Late Quotations. Quotations received after the time specified for opening, but before award may be considered if more advantageous to the Government.

11. Foreign-Made Supplies. See chapter 8 for the procedures to be followed when considering the purchase of foreign-made supplies.

12. Taxes. See paragraph 7003 for information on local and State taxes.

6006. INSTRUCTIONS FOR HANDLING MISTAKES IN QUOTATIONS.

Mistakes in quotations, although minor in nature as defined in paragraph 6005.8, shall be handled as follows:

1. When the mistake is not discovered until after issuance of the contract, and if correction of the mistake would make the contract more favorable to the Government without changing the essential requirements of the specifications, the mistake may be corrected by issuance of modification utilizing a SF-30, Amendment of Solicitation/Modification of Contract.

2. All other mistakes shall be forwarded to the CMC (LB) for decision with the following information:

a. Written statement of the supplier stating the facts surrounding the error.

b. Written statement of the purchasing officer.

(1) Summarizing the transaction.

(2) Giving opinion of the circumstances.

(3) Making a recommendation.

c. A copy of the bid.

d. A copy of the abstract of bids.

e. A copy of the contract (if applicable).

3. Local counsel must be consulted concerning mistakes in bid.

MARINE CORPS PURCHASING PROCEDURES MANUAL

CHAPTER 6

OPEN-MARKET PURCHASING

SECTION 1: IMPREST FUND (ADMINISTRATION)

6100. DEFINITION. An imprest fund is a cash fund of a fixed amount established through an advance of funds by the disbursing officer, without appropriation charge, to an authorized individual, known as the imprest fund cashier, for the purpose of making immediate cash payments, within set limitations, for authorized purchases of supplies and nonpersonal services.

6101. AUTHORITY. Commanders who have purchase authority under chapter 2, of this Manual are authorized to approve the establishment of an imprest fund. This authorization shall be in writing, approved by the Commander, and shall set a maximum amount for the fund consistent with the purchasing needs of the requiring activity, opportunity for prompt reimbursement, and the limitations imposed by paragraph 6102. The signed original copy of the authorization establishing the imprest fund will be maintained in the permanent file of the activity until properly revoked. Additionally, a copy of this authorization containing an original signature, shall be forwarded to the disbursing officer supporting the fund. (The letter establishing imprest fund cashiers.) (See appendix A for sample formats.)

6102. AMOUNT OF IMPREST FUNDS

1. The amount of each imprest fund shall be established on the basis of the estimated monthly payments therefrom and the need for replenishment without undue administrative burden. At no time, however, will the authorized amount of any imprest fund be less than \$500. In the event a larger fund is required, the review procedures specified in paragraph 6102.2 will be applied to determine the appropriate size of the fund. In no case are imprest funds to be larger than \$5,000, unless specifically authorized by the CMC (LB). When the fund is insufficient, based on practicable and convenient replenishment arrangements, to finance the volume of purchases to be made under this procedure, authority may be requested from the CMC (LB) to increase the fund. Such requests shall contain complete information to substantiate the increase, including present and contemplated volume of purchases and frequency of replenishments. The signed original copy of any authorization to increase or decrease the amount of the fund shall be retained in the permanent files of the activity. Additionally, a copy of any increase or decrease authorization, containing an original signature, shall be furnished to the disbursing office responsible for reimbursing the fund.

2. A review shall be made at least quarterly to ensure that the fund is not in excess of actual needs, and necessary adjustments shall be made. This review will be made by the officer who approved the establishment of the fund or delegated officer who is a representative thereof. A record of the review will be maintained in the files of the imprest fund cashier. The following test shall be applied to determine the correct size of the imprest fund. Add all disbursements made from the imprest fund for a 3-month period; divide this by 3 to figure your average monthly disbursement. The fund should not exceed the average monthly disbursement or \$300, whichever is larger. Minor adjustments in the average monthly disbursement are authorized, when required, to compensate for any excessive imprest fund replenishment leadtime.

6103. APPOINTMENT OF THE IMPREST FUND CASHIER. Generally, any officer, enlisted person, or civilian employee may be appointed as the imprest fund cashier. Imprest fund cashiers must be appointed in writing by the commander of an installation or activity to make authorized cash payments for material and nonpersonal services, maintain custody of funds, and file periodic vouchers to account for and replenish the imprest fund. Disbursing officers and others responsible for originating, approving, processing, and receiving requirements are not eligible for appointment as imprest fund cashiers. Exceptions to this rule may be granted by the major headquarters exercising control over the installation or activity. In no event shall an imprest fund cashier have access to or control of more than one fund. Each appointment and termination of appointment shall be approved by the commander of the installation or activity, in writing, per the NavCompt Manual, paragraphs 04020603 and 04020604. This authority is not delegable. A signed copy of all letters or appointments, together with endorsements thereto, and letters of revocation will be maintained in the permanent file of the activity and will be retained for a period of not less than 5 years after each imprest fund cashier ceases to serve. Additionally, a copy of all letters of appointment and revocation of appointments containing an original signature shall be forwarded to the disbursing officer supporting the fund. Appointment orders all contain the following:

- a. Name of individual and duty station.
- b. Identification of disbursing station for which the cashier will act, including the accounting number assigned thereto.

(NOTE: Activities may use the nearest disbursing office capable of providing support.)

- c. Specific duties to be performed.
- d. Effective date.
- e. Amount and location of fund.

6104. ACCEPTANCE. The newly appointed cashier shall provide the following letter of acceptance to the appointing officer:

"I, _____, ACCEPT RESPONSIBILITY FOR THE IMPREST FUND ASSIGNED, AND HOLD MYSELF ACCOUNTABLE TO THE GOVERNMENT OF THE UNITED STATES FOR THE AMOUNT ESTABLISHED. I FURTHER STATE THAT ADEQUATE SECURITY FOR SAFEKEEPING OF CASH AND VOUCHERS IS ACCESSIBLE TO ME."

6105. LOCATION OF THE FUND. The imprest fund cashier will be located both organizationally and physically where the duties can best be accomplished.

6106. GENERAL MANAGEMENT. General management of the imprest fund is a responsibility of the purchasing organization.

6107. ONE FUND PER ACTIVITY. Only one imprest fund is authorized at each Marine Corps installation, except as specifically authorized by the CMC.

6108. ALTERNATE IMPREST FUND CASHIER. The commander may appoint an alternate imprest fund cashier per the procedures and regulations which govern the appointment of the principal imprest fund cashier. The alternate imprest fund cashier shall act in the absence of the principal imprest fund cashier. The designation of an alternate cashier is particularly desirable at those activities purchasing supplies on a c.o.d. basis.

6109. ACQUIRING FUNDS. Upon receipt of notification or designation as an imprest fund cashier, the person designated shall obtain funds, either in cash or by check, not to exceed the amount authorized for the fund, from the appropriate disbursing officer. Checks will be made payable to the cashier, by name followed by the title "Imprest Fund Cashier." (See the NavCompt Manual, paragraph 04031202.)

6110. SAFEKEEPING OF CASH AND VOUCHERS

1. Imprest funds shall not be deposited in any bank or intermingled with other funds. The same security shall be provided for imprest funds as that accorded other public monies. Funds shall be kept in secure storage accessible only to the person responsible for their custody. (See the NavCompt Manual, paragraphs 04031200 and 04030500).

2. The principal cashier shall be furnished a suitable safe for security of cash and vouchers.

3. Field safes shall not be used for imprest funds, unless the safes have been bolted or chained in place in such a manner that they may not be removed. Safe combinations will be changed at least every 6 months, and only the cashier will have the combination to the safe.
4. The alternate cashier shall be provided with a separate safe. (A fireproof, combination lock-type filing cabinet, such as that used for the security of classified documents, will suffice for this purpose, provided the alternate cashier is the only person with access thereto.)
5. A cash box, with key, must also be provided to both the principal and alternate cashiers.
6. The safe shall be positioned in such a manner as to prevent observation of the combination dial by other than the cashier while the safe is being opened.

6111. ABSENCE OF THE PRINCIPAL IMPREST FUND CASHIER

1. In the unforeseen absence of the principal cashier, if it becomes necessary to make imprest fund purchases, funds equal to the amount issued to the principal cashier may be advanced to the alternate cashier in the normal manner by the disbursing officer. These funds shall be in addition to the amount currently advanced to the principal cashier under the established fund.
2. Upon return of the principal cashier, the alternate cashier shall account for the amount of funds advanced on OF 1129 (Reimbursement Voucher) to the disbursing officer without delay. Cash and receipts on charge to the alternate will not be intermingled with those of the principal cashier.
3. If absence of the principal cashier is expected to be in excess of 5 working days (15 working days in the case of Reserve and recruiting activities), all funds shall be repaid or accounted for on OF 1129 to the disbursing officer prior to such absence.
4. If the absence of the principal cashier is to be 5 working days or less (15 working days in the case of Reserve and recruiting activities), all cash on hand may be transferred directly to the alternate cashier in the following manner:
 - a. The principal cashier shall retain all vendors' receipts for cash payment.
 - b. The alternate cashier shall furnish the principal cashier the "Interim Receipt for Cash" portion of SF 1165 for the amount of cash received.

c. When the principal cashier returns, the alternate cashier shall return all receipts and cash to the principal cashier.d. The principal cashier shall, upon verification of cash and disbursements, mark the SF 1165 "Void" and return it to the alternate cashier.

d. If replenishment of the fund is necessary before the return of the principal cashier, the alternate cashier may obtain reimbursement from the disbursing office per paragraph 6114.

6112. ADVANCE OF FUNDS. When pickup of a purchase is necessary, rather than a vendor delivery or c.o.d., cash may be advanced to authorized personnel for the purpose of picking up and making payment.

1. Receipt. The "Interim Receipt for Cash" portion of SF 1165 shall be signed by the person receiving the cash. This includes the cashier. If the cashier is going out in town to pay for supplies ordered, the cashier will sign the "Interim Receipt for Cash" for the cash withdrawal.

2. Amount. Cash may be advanced in any amount necessary to accomplish scheduled purchases.

3. Accounting for Cash. Cash advances shall be accounted for daily, except when circumstances require absence of the person to whom cash is advanced for an extended period. Cash may be advanced for a period not in excess of 7 days.

4. Verification. Upon verification of unused cash and receipts, the cashier shall mark the SF 1165 "Void" and return it to the person to whom the cash was advanced.

6113. AUDIT, INSPECTION, AND VERIFICATION OF FUNDS

1. The imprest fund cashier (or alternate) shall be required to account for the established balance of the fund at any time either by cash on hand, unscheduled subvouchers, unpaid reimbursement vouchers, or interim receipts for cash. Unannounced audits, inspections, and verifications of imprest funds are required at least monthly. Such audits, inspections, and verifications must not only establish whether cash receipts are on hand in the amount of the fund but should also include a complete review of selected transactions, including proof of delivery to the requiring activity and verification of the amount paid. The audit, inspection, and verification must be completely unannounced and at irregular intervals not less frequently than the times prescribed. The practice of regularly verifying once during a period or regularly verifying at or near the end of the period should be avoided to maintain the surprise feature. The commander shall designate one or more individuals to perform this verification. Such individuals shall be from the fiscal or

comptroller offices of the activity, when such offices exist, and shall be other than subordinates of the imprest fund cashier or alternate. Upon completion of each audit, inspection, and verification, a report of the result shall be submitted promptly to the commander. At a minimum, the inspection and verification report shall specifically address:

a. Verification of fund (cash on hand plus interim cash receipts plus paid supplier's receipts plus unpaid replenishment vouchers equals currently authorized amount of fund actually advanced to the imprest fund cashier).

b. Date that the last previous unannounced inspection and verification was made.

c. Date that the safe combination was last changed.

d. Assurance that only the imprest fund cashier has the safe combination; i.e., the combination is not kept in a sealed envelope in the commanding officer's safe, etc.

e. Confirmation that the principal and alternate imprest fund cashiers have been properly appointed, in writing, by the commanding officer of the activity and that each has a separate safe.

f. Assurance that imprest funds are not being commingled with other funds; e.g., nonappropriated cash funds being kept in imprest fund cashier's safe, etc.

g. Verification that establishment of the fund is authorized, in writing, and that the fund limit is stated and approved by the commanding officer.

h. If the amount of the fund is in excess of \$1,000, verification that the amount has been approved by the CMC (LBO).

i. Determination that the size of the fund is within the confines of paragraph 6102.2.

j. Assurance that the responsibility and authority for determining requirements, purchasing, receiving, and paying are divided among two or more individuals.

k. Check of subvouchering procedures; e.g., is the cashier assigning the subvoucher number to paid supplier receipts at the time payment is made as required, is the cashier erroneously waiting to assign subvoucher numbers at the time the reimbursement voucher is prepared, etc.

l. Check of outstanding, undelivered imprest fund purchase actions to see if the 60-day limit on imprest fund purchases is being enforced.

m. Check of purchases over \$500 to verify that those requirements were valid emergencies (Uniform Material Movement and Issue Priority System (UMMIPS) Priority Designators 01-08 or the purchase request is documented to justify an emergency purchase).

2. A copy of the report shall be furnished to the disbursing officer providing the funds and to the imprest fund cashier. Discrepancies shall be reported promptly to the commander who shall take the action prescribed by Navy Regulations, article 0719.

6114. RELIEF OF THE IMPREST FUND CASHIER

1. General Information. Reimbursement of the imprest fund shall be accomplished by completing an OF 1129 (Reimbursement Voucher). The OF 1129 shall be accompanied by supporting subvouchers (invoices of OF 1165's) and by the original copy of the annotated purchase request document. If the original purchase request is not furnished, the copy forwarded should be annotated to reflect the reason. Reimbursement of the imprest fund shall be accomplished as frequently as necessary, but not less than once each calendar month if any disbursements have been made. If no disbursements have been made during the month, a report of this fact will be forwarded to the disbursing officer supporting the fund. More frequent reimbursements may be desirable to limit the size of the voucher for convenient handling and review and to facilitate audit of the individual transactions. Imprest fund cashiers shall assign the subvoucher number to paid supplier receipts at the time payment is made.

2. Preparing OF 1129 (Reimbursement Voucher). The imprest fund cashier shall prepare OF 1129 in an original and the number of copies required by the NavCompt Manual, paragraph 04200404. Information shall be entered on the form as follows:

<u>Caption</u>	<u>Explanation</u>
U.S.	The words "Department of the Navy" and the name and location of the activity.
Payee's Name	The name of the imprest fund cashier.
Mailing Address	The official address of the imprest fund cashier.
For Payments Made on Account of. . . .	The numbers of the attached subvouchers and dates. The imprest fund cashier will number each vendor's receipt as a

<u>Caption</u>	<u>Explanation</u>
	subvoucher and securely attach all receipts at the specified place in the upper left corner of OF 1129.
Amount	The sum total of the subvouchers
Status of Fund	This section will be completed.
Unpaid Reimbursement Voucher dated	Ordinarily, no entry will be shown Dated here since all vendor's receipts on hand are required to be explained in detail on a statement attached to the voucher. Accordingly, any amount shown here will be explained in detail on a statement attached to the voucher.
Interim Receipts for Cash	The total amount of all interim receipts for cash held by the cashier (cash advances), supported by a schedule attached to the voucher showing the person to whom advance, the organization, the date advance was made, amounts, and requisition number.
Accounting Classification	If accounting information can be completed of the face of the voucher, it shall be inserted as the vouchers is prepared.

3. Certification

a. General Information. The certification on the voucher is a certification that the material or services as purchased per applicable regulations, prices billed and paid are correct and as agreed upon and are fair and reasonable, and the material or services were received and acceptable. This certification represents a critical management control and must follow a thorough review of the OF 1129 and supporting documents if misuse or fraud is to be avoided.

b. Signatures. When the supply officer is the custodian of the fund, the supply officer will sign both certificates. Otherwise, the imprest fund cashier will sign as cashier; and the administrative certificate will be signed by the supply officer

or an officer or civilian employee, other than the cashier, designated by the supply officer. If there is no supply officer, the administrative certificate will be signed by the commander or an officer or civilian employee designated by the commander. The certificate may be signed by a contracting officer at those activities listed in paragraph 2001 and 2002.

4. Evidence of Authorized Payments

a. Commanders or contracting officers, shall prescribe necessary internal procedures to substantiate the authenticity of all purchases made through the imprest fund. The maintenance of a simple file of original purchase request documents (requisitions) marked to show that an imprest fund purchase has been made, prices and extensions, vendor's name and address, and that the material has been received will suffice as retained contracting office records.

b. Recordkeeping by the imprest fund cashier shall be as simple as possible. As a minimum, the cashier shall maintain the following:

(1) A logbook, into which each transaction is entered and a subvoucher number assigned immediately upon disbursement of such cash.

(2) A file of supplier's invoices on which money has been paid and which have not yet been vouchered for reimbursement.

(3) Copies of paid reimbursement vouchers. If the cashier is also the buyer, the records in paragraph 6115.4a may be maintained by the cashier. It is permissible for the cashier to retain an annotated copy of the purchase request document if desired.

(4) Duplicate invoices shall not be retained in the records of the imprest fund cashier (or of the contracting office) except for those instances where the reimbursement is mailed to the Defense Finance Accounting Service (DFAS), Kansas City. Upon receipt of the check from the DFAS, the duplicate invoices are destroyed.

5. Summary of Accounting Data. If accounting information can be completed on the face of the voucher, it will be inserted by the imprest fund cashier. If NavCompt Form 2035 (Summary of Accounting Data) is required as provided in the NavCompt Manual, paragraph 04080221, the schedule may be prepared by the imprest fund cashier. When the imprest fund cashier and disbursing officer are attached to the same activity, the commander may direct that the schedule be prepared in the disbursing or fiscal office. When reimbursement is to be made by a disbursing officer not at the same activity, the schedule of accounting data, when required, shall be prepared by the imprest fund cashier or, when

directed by the commander, in the fiscal office and shall be attached to the voucher when presented for reimbursement.

6. Reimbursing the Fund. The disbursing officer shall reimburse the fund promptly. Reimbursement shall not be delayed until schedules have been prepared on the approved voucher and supporting subvouchers.

7. Submission of Reimbursement Voucher. An original (or a copy tendered as the original) of each vendor's receipt and the original purchase request document showing the notations made by the contracting office and complete accounting data shall be attached to the reimbursement voucher.

8. End of Fiscal Year Reimbursement. A reimbursement voucher must be submitted at the close of each fiscal year for all expenditures made through 30 September which have not been previously claimed. A copy of the reimbursement voucher shall be furnished to the allotment section of the activity concerned.

6115. TURN-IN OF EXCESS FUNDS. When the total amount of funds on hand exceeds the maximum amount authorized for the fund, the imprest fund cashier will prepare OF 1129 per paragraph 6115. The excess cash on hand and the completed OF 1129 shall be forwarded to the disbursing office responsible for reimbursing the fund. A copy of any fund decrease authorization shall also be forwarded to the disbursing office when excess funds result pursuant to the review requirements set forth in paragraph 6102.2. Excess funds may be transmitted to the respective disbursing office by money order. The cost of the money orders will be deducted from the amount transmitted and accounted for as prescribed in chapter 6, section 2, of this Manual.

MARINE CORPS PURCHASING PROCEDURES MANUAL

CHAPTER 6

OPEN-MARKET PURCHASING

SECTION 2: IMPREST FUND (PURCHASING)

6200. INFORMATION. Imprest fund purchases will be based on an authorized purchase request document and will be made only by personnel within the contracting organization. The imprest fund purchase method may be used when:

1. There is one delivery and one payment.
2. Total value does not exceed \$500 (regardless of priority).
3. Supplies or services are available within 60 days from the local trade area or c.o.d. from outside the local area.
4. The purchase does not require detailed technical specifications or technical inspection.

6201. LIMITATIONS. Purchases affected by the imprest fund method of purchasing shall not exceed \$500 per transaction, regardless of priority.

6202. AUTHORIZED IMPREST FUND EXPENDITURES

1. The following are authorized imprest fund expenditures:

- a. Charges for local delivery and parcel post (including c.o.d. postal charges and line haul or intercity transportation charges of \$75 or less) for supplies ordered for payment with imprest funds when the vendor is requested to arrange for delivery.

- b. The c.o.d. charges for supplies ordered for payment from imprest funds, except as provided in paragraph 6203.

- c. Reimbursement for expenses incurred while conducting official business in the geographic area for train, bus, streetcar, taxicab, ferry, bridge, and similar fares and tolls, and for parking lot and parking meter fees when used in street parking of Government-owned vehicles, as well as other travel expenses not in conflict with the Joint Travel Regulations (JTR). The Imprest Fund may be only used for identified expenses outlined above when the disbursing office is geographically located away from the contracting activity. Receipts for OF 1165 (Cash Subvoucher) will substantiate payments chargeable to the allotment financing the supply operations at the activity concerned.

d. Reimbursement for the use of privately-owned vehicles (when approved as being more advantageous to the Government) while on official Government business within the limits of their duty station or within the general area surrounding the duty station ordinarily served by local carriers is authorized at the rates as specified in the NavCompt Manual, paragraph 04081006.

e. Purchases under indefinite delivery-type contracts or FSS contracts.

f. Postage stamps.

g. All other commercial purchases of supplies and/or services (other than personal) as may be logistically required in the performance of the mission of the organization within the limitations imposed by this Manual and other pertinent directives; e.g., a payment of rifle and pistol team entry fees.

2. The imprest fund cashier at those contracting activities listed in paragraphs 2002 and 2003 are authorized to advance funds for subsistence (equivalent to the value of necessary meal tickets and one night's lodging) and the necessary transfer fees when not furnished by the commercial carriers pursuant to issued transportation request to recruits, absentees, deserters, or other individuals without funds for travel to be performed. These members are further classified into one or two categories:

a. Those who travel incident to travel orders wherein such transportation is considered to be furnished in connection with the member's orders and subject to reimbursement at the new duty station.

b. Those who receive transportation requests only if a request for checkage against their pay record is initiated for the cost thereof.

3. Members in the category cited in paragraph 6202.2a may elect cash equivalent for the meal tickets and one night's lodging and may be advanced cash for necessary transfer fees by endorsement to their travel orders. To substantiate the cash advance, the imprest fund cashier will complete DD Form 1351 (Travel Voucher) in triplicate (see appendix A for appropriate format) requiring the payee's signature on the original form. The original and one copy of the completed DD Form 1351, together with two copies of the member's orders with all endorsements thereto, will be transmitted to the disbursing officer to affect reimbursement of funds.

4. Members in the category cited in paragraph 6202.2b may elect cash equivalent for the meal tickets and one night's lodging and may be advanced cash for transportation fees, subject to checkage of their pay at their duty station. In addition, it is required that DD Form 1351, two copies of the member's orders with all endorsements thereto, and the original plus three copies of

DD Form 139 (Pay Adjustment Authorization) be transmitted to the disbursing officer to affect reimbursement of funds. (See appendix A for appropriate format.)

6203. UNAUTHORIZED IMPREST FUND EXPENDITURES

1. Imprest funds shall not be used for payment of salaries and wages, transportation charges on bills of common carriers (except as otherwise provided for herein), advances other than authorized in paragraph 6112, cashing checks or any other negotiable instruments, or purchase of supplies for resale to private individuals (including commissary sales). Imprest funds shall not be used for the payment of public utility bills.

2. Cash payments will not be made for personal services nor for money orders, except for money orders made payable to the Treasurer of the United States for transmittal of cash in the case of dissolution of or reduction in the authorized amount of the funds, or in the case of a change in the imprest funds cashier. In the latter instance, the money order shall be purchased from the monies being returned to the disbursing office.

6204. DELIVERY. Every effort shall be made to have the material delivered directly to the Marine Corps activity by c.o.d., parcel post, or direct delivery by the vendor. When this is not practicable and Marine Corps representatives must be used to pick up material, advance arrangements with suppliers shall be made by the purchasing organization as to prices, quantities, and date of availability, including the fact that the material is to be picked up. The purchase request document (requisition) will be annotated accordingly and forwarded to the imprest fund cashier.

6205. DEALER'S INVOICE. "Dealer's invoice" is a term applied to a supplier's invoice, sales ticket, packing slip, or other sales document containing the following minimum information: supplier's name and address, list of items, quantity, unit prices and extensions, and cash discount, if any. Cash register sales tickets/tapes will not be classified as a dealer's invoice at any time. If an appropriate sales document is not tendered by the vendor, receipt for cash expended will be completed on the OF 1165 as set forth in paragraph 6205.4. Any cash register sales/tickets/tapes will be attached to the OF 1165. Except as otherwise provide herein, the dealer's invoice or other suitable sales document, normally tendered at the time of the sale or delivery, is acceptable as the imprest fund receipt voucher when accomplished as specified per the following:

1. The face of the original sales document (or a copy treated as the original) shall be stamped with certification for cash payment as shown in figure 6-1. It should be noted that figure 6-1 is an example, and certification does not have to be the

identical; however, the certification shall contain as a minimum the information shown in figure 6-1.

CASH PAYMENT RECEIVED IN FULL

Amount \$ _____ Date _____
By _____ Title _____

Figure 6-1.--Certification of Cash Received.

2. The vendor or agent thereof will be required to sign only the original of the sales document; however, when this purchase is less than \$15, the vendor's signature is not required. In such cases, the imprest fund cashiers shall complete the cash receipt document and have the person receiving the fund sign the document.

3. In the case of c.o.d. purchases when shipment is made by parcel post or carrier, the postal employee or the employee of the carrier will be required to acknowledge receipt of payment.

4. If a sales document is not tendered by the vendor, receipt for cash expended will be completed on the OF 1165 (original and memorandum copy) as follows:

<u>Caption</u>	<u>Explanation</u>
Date	The date purchase was made.
Received in Cash From	The title "Imprest Fund Cashier" and the name and address of the activity. Immediately below this caption, the total amount in words and figures.
Articles or Services	The item and quantity of supplies or services purchased and the dollar amount of each; the total price of all such items will equal the total amount first entered on the form.
Vendor	Self-explanatory.
Address	Self-explanatory.
By	Signature of vendor or vendor's agent.
Title	To be filled in by vendor or vendor's agent.

5. Duplicate invoices shall not be kept on file, except for those instances where an imprest fund reimbursement voucher is mailed to the DFAS, Kansas City, for reimbursement. When reimbursement is affected through the DFAS, Kansas City, a set of duplicate invoices may be retained until the check is received.

duplicate invoices may be retained until the check is received. upon receipt of the check, the imprest fund cashier should present the duplicate invoices to the individual who signed the administrative certificate on the OF 1129 and request that they be destroyed.

6206. GROUP RECEIPTS. When a considerable number of c.o.d. parcels is received at the same time and an unreasonable amount of time would be consumed to have the vendor, carrier, or the postal employee acknowledge receipt of payment by signing each individual sales document, a group receipt may be used. A group receipt is a list of packages which is supported by copies of the applicable sales documents (or other authorized documents which normally would have been used as the sales documents). The list of packages may be the list normally used by the post office or carrier. When no sales document accompanies a c.o.d. shipment, a copy of the purchase request document will be marked "Vendor's sales document not tendered" and used to support the group receipt.

6207. PAYMENT BY CHECK. When material is ordered c.o.d. but is shipped by the supplier subject to payment by check, NavCompt Form 2277 may be used to make payment. Under these circumstances, the receiver shall prepare the necessary certification of receipt and forward the receipted document through the imprest fund cashier for attachment of the supporting documents which authorized the shipment and submission to the disbursing officer for payment. (See figure 6-2.) Figure 6-2 indicates the certificate which will be placed on a copy of the related invoice and forwarded to the disbursing officer along with the supporting documents authorizing the purchase when payment is requested by check.

6208. TAX EXEMPTIONS. When a purchase document is required by the vendor to obtain Government discounts, tax exemptions, or for other purposes, the vendor shall be provided with a copy of DD Form 1155 which will be marked "Payment to be made in cash" or "Ship c.o.d.," as appropriate. (See paragraph 7003 for sales tax information.)

6209. RECEIVING. All material received by the imprest fund cashier shall be passed to the requisitioning activity as soon as possible. The person receiving the material shall check the item against the purchase request document for quantity, serviceability, and acceptability; and, if correct, annotate or stamp the reverse of the sales document "Received and Accepted," and enter signature and date. A supplier's sales document, receipted OF 1165, DD Form 1155, or DD Form 1348-1 may be used to record the receipt. The minimum information specified in paragraph 6205 shall be included in the document used to record the receipt of purchases.

1. Received, inspected, and accepted by _____ on _____.
(Activity) (Date)
2. Dealer's bill received on _____.
(Date)
3. Bill forwarded to D.O. on _____.
(Date)
4. Purchase authority _____.
5. Prices billed are as agreed upon.
6. Charge to:
 - Appropriation and Subhead _____.
 - Object Class _____.
 - Bureau Control Number _____.
 - Authorization Accounting Activity _____.
 - Transaction Type _____.
 - Property Accounting Activity (when required
by the transaction-type code) _____.
 - Cost Code _____.

Figure 6-2.--Certification Forwarding Invoice for Payment
by Check.

6210. REFUNDS. If a vendor refunds cash erroneously paid prior to the submission of the OF 1129 covering such payment, the imprest fund cashier shall accept the refund; return the money to the imprest fund; and enter the amount of the refund on the original and duplicate of the vendor's receipt. If the refund is made subsequent to the submission of the applicable OF 1129, the imprest fund cashier shall enter the amount of the refund on the retained copy of the reimbursement voucher and shall promptly submit the refund to the disbursing officer for accounting per the NavCompt Manual, paragraphs 04060800 through 04060802.

6211. THE C.O.D. CHARGES

1. Receipt for U.S. parcel-post c.o.d. charges should be obtained on OF 1165.

2. When receipt cannot be obtained for c.o.d. purchases, imprest fund cashiers who are located in foreign countries are authorized to certify on the receipt document "Delivered by (name of post office or carrier) no receipt given." The c.o.d. label shall be removed from the parcel and affixed to the receipt document in support of the reimbursement voucher.

3. Imprest fund cashiers at any location may use a signed c.o.d. receipt to support the subvoucher if the carrier refuses to sign a Government form.

MARINE CORPS PURCHASING PROCEDURES MANUAL

CHAPTER 6

OPEN-MARKET PURCHASING

SECTION 3: PURCHASE ORDERS

6300. INFORMATION

1. A purchase order is a DD Form 1155 signed by a contracting officer which requests a vendor to send the items listed in block 18 to the Marine Corps per the information furnished on the DD Form 1155.

2. The purchase order method should be used when it is desirable to have the terms of the transaction in writing or when there is more than one delivery or payment. It should be noted that the imprest fund and BPA method of small purchase are more desirable than the purchase order method because of the high administrative costs of issuing purchase orders.

6301. USE OF DD FORM 1155

1. Negotiated purchases of material and nonpersonal services within the limitations established by paragraph 6001.1 may be affected by using DD Form 1155 and its related forms.

2. The DD Form 1155 may be used as:

a. A purchase order, BPA, delivery order under a contract, delivery order on Government agencies outside DoD.

b. A receiving and inspection report.

c. A property voucher.

d. A public voucher (when used as a purchase order under \$2,500 and up to the MOL when placing DO's against Federal Supply schedules.

e. An imprest fund receipt.

3. The DD Form 1155 shall be filled out as follows. (See appendix A for example.)

NOTE: The letters in the right-hand columns indicate the person responsible for completing the blocks; i.e., "C" for contractor and "P" for contracting office. The dash indicates that it is not applicable.

Block No.	Title and Instructions for Entries	Applicable to		
		RFQ	PO	DO
1	<u>Contract/Purchase Order No.</u> Enter the procurement instrument identification Number (PIIN) as prescribed in chapter 10.	--	P	P
2	<u>Delivery Order No.</u> Enter the PIIN for delivery orders as prescribed in chapter 10.	--	--	P
3	<u>Date of Order.</u> Enter the date of the order; i.e., two-position numeric year, three-position alpha month, and two-position numeric day. For example, 90 Nov 05.	--	P	P
4	<u>Requisition/Purchase Request No.</u> Enter the applicable number authorizing the purchase. When the number differs by line item, it will be listed in the schedule; and this block will be annotated "See schedule."	P	P	P
5	<u>Certified for National Defense Under DMS Req. 1.</u>	--	P	P
		(See par. 7803.2 for exceptions)		
6	<u>Issued By.</u> Enter the name and address of the purchasing office. Enter in the code block the organization entity code (address code) of the contracting office as contained in MCO 4420.4.	P	P	P
7	<u>Administered By.</u> If the office is listed in block 6, no entry is required; or, when applicable, enter the name and address of the Defense Contract Administration Service (DCAS) or military activity responsible for administration service.	P	P	P
8	<u>Delivery FOB.</u> Indicate the f.o.b. point by checking the applicable box. (See paragraph 7005.)	P	P	P
9	<u>Contractor/Quoter.</u> Enter the full business name and address of the contractor or quoter.	P	P	P

Block No.	Title and Instructions for Entries	Applicable to		
		RFQ	PO	DO
10	<u>Deliver to f.o.b. Point By.</u> If a single date of delivery is applicable to the entire order, it shall be entered in this block. Multiple delivery dates will be listed in the schedule, and this block annotated "See schedule."	P	P	P
11	<u>Check if Small Business/Minority Business.</u> Check if the contractor/quoter is a small business or a minority concern.	C	P	P
12	<u>Discount Terms.</u> Enter the discount terms for prompt payment.	C	P	P
13	<u>Mail Invoices To.</u> Enter a reference to the block number containing the appropriate address to which invoices are to be mailed.	--	P	P
14	<u>Ship To.</u> If a single ship-to-point is applicable to the entire order, the name and address of that point may be entered in this block. Multiple ship-to-points will be shown in the schedule, and this block annotated "See schedule."	P	P	P
15	<u>Payment Will Be Made By.</u> Enter the name and address of the activity making payment. Enter in the code block of the organization entity code (address code) of the paying office (when published).	--	P	P
16	<u>Type of Order.</u> Indicate by checking the appropriate box whether the order is a purchase or delivery order. If it is a purchase order, further entries are made as follows:	--	P	P

Block No.	Title and Instructions for Entries	Applicable to		
		RFQ	PO	DO
	<ul style="list-style-type: none"> a. Identify the type of quotation (i.e., oral, letter, or telefax) on which the order is based. b. When the fast payment procedure is applicable, indicate by checking the appropriate box. c. Check the box when acceptance of the purchase order by the contractor is desired, and indicate the number of copies of the order to be returned to the issuing office. 			
17	<u>Accounting and Appropriation Data</u> Local Use. Enter the accounting classification applicable to the order.	--	P	P
18	<u>Item No.</u> Enter an item number for each item of supply or service separately identified. Unless there is a valid reason to the contrary, the identical item number assigned to an item in a solicitation shall be assigned to that item when an award is made. Any given item number shall not be assigned more than once in a contract.	P	P	P
19	<u>Schedule of Supplies/Services.</u> Enter the national stock number (NSN), if applicable, and complete description.	P	P	P
20	<u>Quantity Ordered/Accepted.</u> Enter the total quantity ordered for the line item. If applicable, enter the breakdown on quantities for each ship-to point within the line item.	P	P	P
21	<u>Unit.</u> Enter the unit of measure applicable to the line items described.	C	P	P
22	<u>Unit Price.</u> Enter the unit price applicable to the line item described.	C	P	P
23	<u>Amount.</u> Enter the extended dollar amount (quantity times unit price) for each line item.	C	P	P

Block No.	Title and Instructions for Entries	Applicable to		
		RFQ	PO	DO
24	<u>Contracting/Ordering Officer</u> a. Type the contracting/ordering officer's name. b. The contracting/ordering officer's signature will be entered in this block.	--	P	P
25	<u>Total</u> . Enter the total dollar amount for all line items on the order.	C	P	P
26 42	These blocks are used in the receiving and payment functions. Procedures for making entries are prescribed by separate directives. Quality assurance actions are contained in chapter 7.			

6302. USE OF RELATED FORMS

1. The DD Form 1155c-1 (Order for Supplies and Services) (as commissary continuation sheet) (for use on optional basis) provides columns suited for commissary purchases.
2. The SF 30 (Amendment of Solicitation/Modification of Contract) shall only be used by contracting officers to make minor administrative changes in purchase orders, to affect supplemental agreements, and to affect cancellations. (See paragraph 6306.) (See appendix A for sample format.)
3. The SF 36 (Continuation Sheet) shall be used when additional space is required for schedule of supplies/services, amendment/modifications, or award; however, when the columns thereon are not required, a blank sheet may be used. The appropriate PIIN and page number shall be shown on all continuation sheets.

6303. REQUIRED CLAUSES

1. Those clauses contained in the general provisions on the reverse side of DD Form 1155 are applicable to all purchase orders. When it is desired to consummate a binding contract between the parties before the contractor undertakes performance, the contracting officer shall mark in block 16 on the DD Form 1155 the box making "the additional general provisions" applicable and requiring acceptance by the contractor.
2. The clauses prescribed by paragraph 7701 shall be referenced in all purchase orders.

3. The following additional clauses will be used, as required:

a. Unpriced Orders. See paragraph 6305.

b. Variations in Quantity. See paragraph 7004.

c. Subscriptions. When ordering magazine subscriptions and other periodicals, use the following clauses:

"CONTRACTOR'S INVOICE MUST BE SUBMITTED BEFORE PAYMENT CAN BE MADE. CONTRACTOR WILL BE PAID ON THE BASIS OF HIS INVOICE WHICH MUST STATE: (1) THE STARTING AND ENDING DATES AND (2) THAT ORDERS HAVE BEEN PLACED IN EFFECT FOR THE ADDRESSEES REQUIRED, OR (3) THAT THE ORDERS WILL BE PLACED IN EFFECT UPON RECEIPT OF PAYMENT."

d. Transportation Charges. This clause shall be used when supplies are ordered on other than an f.o.b. destination basis. (See paragraph 7005.)

4. Other clauses may be used if they are specifically authorized by the FAR, DFAR, NAPS, or this Manual.

6304. PREPARATION OF PURCHASE ORDERS. All applicable blocks and spaces on DD Form 1155 shall be completed as specified in paragraph 6301.

6305. UNPRICED ORDERS

1. An unpriced purchase order is an order for supplies or services, for which the price is not established at the time of issuance of the order. Contracting official shall assure that suppliers receiving unpriced purchase orders are carefully selected.

2. An unpriced purchase order may be used only when all of the following conditions are present:

a. The transaction shall not exceed \$2,500 (\$10,000 for those activities listed in paragraph 2001).

b. It is impractical to obtain pricing in advance of issuance of the purchase order.

c. The procurement is for either:

(1) Repairs to equipment requiring disassembly to determine the nature and extent of such repairs.

(2) Sole source material for which the cost cannot be readily established.

(3) Supplies or services where prices are known to be competitive but exact prices are not known.

d. DFARS 17.75 applies.

3. The DD Form 1155 shall be used to issue unpriced purchase orders. A realistic monetary limitation shall be placed on the unpriced purchase order which shall be an obligation subject to adjustment when the firm price is established. Orders shall not contain an estimated target unit price. Each unpriced purchase order shall contain the following clause:

Notice to Supplier FAR 52.213-3 (Apr 1984)

"This is a firm order ONLY if your price does not exceed the maximum line item or total price in the schedule. Submit invoices to procuring contracting officer. If you cannot perform in exact accordance with this order, WITHHOLD PERFORMANCE and notify the contracting officer immediately, giving your quotation."

4. The contracting officer or designated representative shall certify that the invoice price is fair and reasonable and process the invoice for payment. Suitable local records and controls of outstanding unpriced purchase orders shall be maintained to assure regular followup with suppliers until the order is priced. These records should include any information available to support the fairness and reasonableness of the proposed monetary limitation.

6306. TERMINATION OF PURCHASE ORDERS. A purchase order which has not been accepted in writing by the contractor may be withdrawn or canceled by the contracting officer any time prior to the supplier's initiation of performance. Notice of withdrawal or cancellation should be in writing and should request the contractor's acknowledgement thereof. However, if the contractor has begun performance on said purchase order or if the contractor has accepted the purchase order in writing other than by signature on the DD Form 1155, or on a subsequently issued SF 30, and it later becomes necessary to terminate the purchase order, the contractor should be asked to agree to cancellation of the order without cost or liability to either party. If the contractor agrees, the cancellation shall be effected by use of SF 30, incorporating the additional general provisions. If the contractor does not agree to a no-cost settlement, the case will be referred to the appropriate field office of counsel for the Commandant (CL) serving the activity (see paragraph 2309); and action will be withheld, pending receipt of advice from that office. Termination of a purchase order which the contractor has accepted in writing by means of the contractor acceptance on DD Form 1155R, or a subsequently issued SF 30, will also be

referred to the regional counsel and action withheld pending receipt of advice from that office.

6307. OBTAINING CONTRACTOR ACCEPTANCE AND MODIFYING THE PURCHASE ORDER

1. When it is desired to consummate a binding contract between the parties before the contractor undertakes performance, the contracting officer shall mark in block 16 of the DD Form 1155 the box requiring acceptance by the contractor. SF 30 shall be used to modify the purchase order for administrative or other changes. No other form shall be used, nor shall purchase orders be modified by use of letters or other means. A superseding DD Form 1155 shall not be used to issue a change to or to cancel an outstanding purchase order.

2. Modifications making administrative changes, such as the correction of typographical errors, changes in paying office, and changes in accounting and appropriation data, do not require contractor acceptance. In addition, the issuance of no cost amended shipping instructions (ASI) which modify unilateral purchase orders and which have been concurred in by the contractor by telephone or letter do not require contractor acceptance by signature on the SF 30. (See appendix A for sample format.)

3. To otherwise modify the purchase order, and if not previously included in the purchase order, the additional general provisions shall be incorporated by reference in the SF 30 (Amendment of Solicitation/Modification of Contract), and the contractor acceptance obtained by signature on the SF 30. Subsequent changes pursuant to the Changes Clause shall not require contractor acceptance. However, other modifications outside the scope of the Changes Clause shall require contractor acceptance by signature on the SF 30. (See appendix A for appropriate formats.)

4. No clauses, other than those set forth or specifically authorized elsewhere in this Manual, shall be used unless authorized by the regional counsel.

5. When difficulty is encountered with regard to modification of outstanding purchase orders, the regional counsel should be contacted for advice/assistance.

6308. DISTRIBUTION OF PURCHASE ORDERS. Distribution of copies of purchase orders shall be limited to those copies required for essential administration.

The following distribution schedule is furnished for information and guidance and may be adjusted to fit the needs of each contracting office:

Contracting	Signed original copy. Master copy stamped "Duplicate Original."
Contractor	Signed copy or signed reproduced copy stamped "Duplicate Original."
Disbursing	Signed original or signed reproducible master copy stamped "Duplicate Original" and three copies.
Fiscal Section	One copy for each requisition covered in the purchase order.
Supply Officer	Two copies plus one additional for each requisition covered in the purchase order.
Receiving Section	One copy for each shipment.
Commander, (Code 460) Marine Corps Logistics Bases, Albany, GA 31704-5000	One copy when Stock Fund Account (SFA) items listed in Marine Corps stocklists are purchased.
CMC (P)	When HQMC allotment.

6309. PURCHASE ORDER FILES

1. Purchase order files shall be maintained in consecutive number sequence, segregated as to "incomplete" and "complete."
2. Each file shall contain, as a minimum, the duplicate original purchase order and customer requisition, an abstract showing the competition obtained (or copies of the quotations received), the pricing, and/or sole source justification on those purchases over \$2,500 which are not competitive. (See paragraph 6004.2b.) A copy of the receiving document and final payment voucher should also be present. Any other memorandums, letters, determinations (such as Buy American Act determinations), or other documents pertaining to the purchase should be in the file. Depending on local procedures, there may be requirements for additional data. However, the purpose of the purchase order file is to establish a complete audit trail of all actions resulting in the purchase and payment thereof. Therefore, the file should contain anything that contributes to the total history of the purchase.

6310. ADVANCE PAYMENTS. Advance payments may be made only for the following items:

1. Newspapers, magazines, periodicals, and other publications per the NavCompt Manual, paragraph 04040819.1. Purchase orders for subscriptions shall contain the clause in paragraph 6303.3c.

2. Post office box rental per NavCompt Manual, paragraph 4040819.3.

3. Services rendered by State, county, or municipal offices in furnishing certified copies of articles of incorporation; records of birth, deaths, or marriages, and advance payment or deposit of filing fees, witness fees, or court costs per the NavCompt Manual, paragraph 04040819.4.

6311. PAYMENT PROCEDURES. A copy of the purchase order/delivery order and the original invoice shall accompany all NavCompt 2277's when submitted to disbursing for payment.

6312. PURCHASE ORDERS FOR SERVICES

1. Purchase orders for services estimated at \$2,500 or less require no special processing prior to the placement of the purchase order.

2. Purchase orders for services estimated to exceed \$2,500 shall be processed per chapter 7, section 6, of this Manual.

CHAPTER 6

OPEN-MARKET PURCHASING

SECTION 4: BLANKET PURCHASE AGREEMENTS

6400. INFORMATION. The BPA method of affecting small purchases provides a simplified procedure of establishing "charge accounts" with qualified sources of supply to cover anticipated small purchases of items of the same general category, which are readily available. Such an agreement eliminates the necessity of issuing individual purchase orders for small requirements by providing that purchases will be made by means of placing oral calls (generally by telephone), or by informal memoranda when more convenient, against the BPA. Maximum use of BPA's is encouraged and recommended, when appropriate.

6401. CONDITIONS FOR USE. BPA's are authorized for use in accomplishing small purchases when:

1. There is a repetitive need for small quantities of supplies or services of closely related types, such as electrical supplies, plumbing supplies, repair parts or services, miscellaneous items of hardware, rubber stamps, etc.
2. The supplies or services are readily available.
3. The use of the BPA method is administratively more economical than any other small purchase method.

6402. LIMITATIONS. BPA's shall be used within the following limitations:

1. BPA's may be used for any period of time deemed desirable. However, when the term of the BPA exceeds 1 year, a review of currency and format shall be made at least annually.
2. No single call may exceed \$25,000 (\$2,500 for those activities listed in paragraphs 2002 and 2003 that receive delegation of procurement authority).
3. Activities listed in paragraph 2001 are authorized to place BPA calls for subsistence with unlimited dollar value.
4. No single call for commissary store subsistence resale may exceed \$10,000.
5. The placement of calls between \$2,500 and \$25,000 shall be made only by those personnel in the contracting organization.

6. Calls shall be placed only by those persons designated by name in the BPA.

7. Calls shall not be placed against an expired BPA.

6403. PLACING BPA. BPA's will be equitably placed among qualified suppliers on the basis of established prices/price lists, offered discounts, and other factors. Appropriate arrangements shall be made so that the supplier's established prices/price lists and appropriate discounts will apply to all calls. Concurrent BPA's with multiple sources are recommended. In this case, systems will be established to distribute business at the time calls are made. These instructions do not prohibit the issuance of BPA's for stated (shorter) periods of time when a time limitation is considered desirable. The issuance of BPA's for short periods of time with only one source effective at any one time in order to distribute business is permitted when considered feasible and economical.

6404. PREPARATIONS OF BPA

1. General Information. BPA's shall be prepared and issued on DD Form 1155. Other applicable provisions of the BPA shall be set forth on SF 36 (Continuation Sheet) or on a blank sheet of paper. (See appendix A for formats.)

2. Numbering. The BPA's will be numbered in the local series of numbers in the manner prescribed by chapter 10.

3. Accounting Data. Normally, BPA's will not cite any accounting data so that purchases made from varying appropriations and funds may be consummated under the same BPA. If it is contemplated that all purchases under a particular BPA will be chargeable to a single set of accounting data and the fund administrator determines that a commitment of funds is required, the BPA will cite the accounting data set forth in the purchase requisition.

4. Authorization. BPA's shall include the following provisions:

a. Description of Agreement. A statement that the supplier shall furnish supplies or services, described therein in general terms, if and when requested by the contracting officer or the authorized representative during a specified period and within a stipulated aggregated amount, if any. Agreements may be limited to specific items or commodity groups, or the scope of the agreement may encompass all items that the supplier is in a position to furnish.

b. Pricing. A statement that the prices to the Government shall be as low as or lower than those charged the supplier's most favored customer, in addition to any discounts for prompt payment.

c. Extent of Obligation. A statement that the Government is obligated only to the extent of authorized calls actually placed against the BPA. By way of example, the statement should read, essentially, as follows:

"THIS IS A BLANKET PURCHASE AGREEMENT FOR PLUMBING SUPPLIES FOR THE PERIOD BEGINNING 1 OCTOBER 1990 UNTIL TERMINATED AT A LATER DATE OR DATE SHOWN. ALL PURCHASES MADE UNDER THIS AGREEMENT WILL BE AT PRICES AS LOW AS OR LOWER THAN THOSE CHARGED THE DEALER'S MOST FAVORED CUSTOMER, AND SHALL CITE ANY DISCOUNTS FOR PROMPT PAYMENT. THE GOVERNMENT WILL BE OBLIGATED UNDER THIS AGREEMENT ONLY FOR THOSE AUTHORIZED CALLS ACTUALLY MADE HEREUNDER BY THE AUTHORIZED PERSONS NAMED HEREIN."

5. Call Limitation. The statement that no individual call under the agreement shall exceed the limitations set forth in paragraph 6402 and that no call in excess of the dollar amount authorized an individual shall be made by the individual or honored by the vendor.

6. Notice of Individuals Authorized To Place Calls and Dollar Limitations. A provision that a list of names of individuals authorized to place calls under the agreement, identified by organization component, and the dollar limitation per call for each individual shall be furnished the supplier by the contracting officer or entered on the BPA. Special attention is directed as to the deletion of personnel no longer authorized to place calls.

7. Delivery Tickets. The BPA shall include a statement that all shipments under the agreement shall be accompanied by delivery tickets or sales slips in triplicate. Delivery tickets or sales slips will be prepared by the dealer and shall contain the following minimum information:

- a. Name of supplier.
- b. The BPA number.
- c. The date of the call.
- d. The call number.
- e. An itemized list of the supplies or services furnished.

f. The quantity, unit price, and extension of each item less applicable discounts. (Unit prices and extensions need not be shown when incompatible with the use of automated systems, provided that the invoice is itemized to show this information.)

g. Date of delivery or shipment.

h. Name of individual who placed the call.

Upon delivery, the receiving activity will sign the three copies of the delivery ticket. One copy of the delivery ticket will be retained by the receiving activity, and the other two copies will be returned to the vendor or vendor's agent. One of the two copies returned to the vendor or vendor's agent subsequently may be required to support the invoices.

8. Place of Delivery and Receipt of Material

a. The statement that delivery will be made to the ordering activity shall be entered on the BPA. Direct delivery to the shop or unit placing the call may be authorized, providing appropriate controls are established for receipt, inspection, and acceptance of the material.

b. Acceptance of supplies or services shall be indicated by signature and date on the delivery ticket/sales slip after quantities have been verified and any exception noted. DD Form 250 (Material Inspection and Receiving Report) may be used for this purpose.

9. Invoices. The BPA will specify one of the following methods of dealer invoicing:

a. A summary invoice shall be submitted at least monthly or upon expiration of the BPA, whichever occurs first, for all deliveries made during a billing period, identifying the delivery tickets covered therein, stating their dollar value, and supported by receipted copies of the delivery tickets.

b. An itemized invoice shall be submitted at least monthly or upon expiration of the BPA, whichever occurs first, for all deliveries made during a billing period and for which payment has not been received. Such invoices need not be supported by copies of delivery tickets.

c. When billing procedures provide for an individual invoice for each delivery, these invoices shall be accumulated provided that:

(1) A consolidated payment will be made for each specified period.

(2) The period of any discount will commence on final date of billing period or on the date of receipt of invoices for all deliveries accepted during the billing period, whichever is later.

The provision in paragraph 6404.10c should not be used if the accumulation of the individual invoices by the Government materially increases the administrative costs of this purchase method.

10. Signature, File Maintenance, and Distribution. The signature of the contracting officer and distribution shall be the same as that prescribed for purchase orders, except that the original of the BPA shall remain in the purchasing file. Each person authorized to place calls will be furnished a copy of the BPA. The BPA files shall be as complete as those required of purchase orders (see paragraph 6309) and shall include a copy of the requisition, delivery tickets and monthly invoice, call log, record of competition (if applicable), payment document, and any other record which would be necessary to establish a complete audit trail.

11. Fast Payment Procedure. The fast payment procedure described in this chapter may be authorized for use with BPA's.

12. Clauses. The clauses prescribed by paragraph 7701 shall be referenced in all BPA's.

6405. PLACING CALLS AGAINST BPA'S

1. Calls against BPA's generally will be made orally, except that informal correspondence may be used when ordering against agreements outside the local trade area. Written calls may be executed on DD Form 1155. In either case, calls shall not be placed unless there exists an authorized purchase request document (requisition) per paragraph 7000.

2. All calls shall be controlled by the organization administering the BPA. Documentation of calls shall be limited to essential information. Forms may be developed for this purpose locally.

3. Calls shall be placed only by those individuals expressly authorized by the BPA and within the monetary limitations specified.

4. The person placing the call shall be identified appropriately to the vendor and, after determining that the required supplies or services are available, will establish agreement with the vendor as to the unit and total price and the time and place of delivery. The individual will also specify to the vendor the BPA and call numbers to which the purchase applies.

5. When the call will be in excess of \$2,500, the person placing the call shall solicit quotations from qualified sources of supply per paragraph 6004. The record of sources solicited and response thereto will be filed in the purchase folder. If the acceptable low quotation is from a BPA vendor, the person placing the call will be identified appropriately to the vendor and will authorize the vendor to deliver the required supplies. If the acceptable low quotation is not from a BPA vendor, an individual purchase order will be issued.

6406. RECORDING OF OBLIGATIONS UNDER BPA'S

1. Obligations will be recorded against the allotment either on the basis of calls made against the BPA or on the basis of actual deliveries, depending on the amount of control necessary to avoid over obligation of the allotment.

a. Obligations Recorded Upon Placing the Call. At large activities when numerous personnel are authorized to place calls against a single BPA or when strict control is otherwise considered necessary, it may be advisable to record obligations immediately upon placing the call, in which case the individual placing the call shall prepare an original and three copies of a DD Form 250 (Material Inspection and Receiving Report), containing the following information:

- (1) BPA number.
- (2) Complete accounting information.
- (3) Ordering office or shop.
- (4) Call number and date of call.
- (5) Quantity ordered, unit and total price.
- (6) Time of delivery.
- (7) The words "Fiscal Copy" in large letters on one copy.
- (8) The words "Receipt Control Copy" in large letters on two copies.
- (9) Signature and title of person placing the call.

b. Distribution of DD Form 250. The DD Form 250 will be distributed as follows:

- (1) Retain the original in the files with the BPA.

(2) The "Fiscal Copy" will be sent to the fiscal officer for use as the obligation document.

(3) The "Receipt Control Copy" will be sent to the receiving officer promptly after completion of the call to the vendor.

c. Obligations Recorded Upon Delivery. When strict control is not necessary, obligations may be recorded on the basis of delivery tickets. When supplies ordered under the BPA are delivered, inspected, and accepted by the individual placing the call, a copy of the delivery ticket will be annotated with the proper accounting data and forwarded to the fiscal office for recording the obligation. If it is determined to be more expeditious, delivery tickets may be accumulated until expiration of the calendar month, at which time a report of property received will be prepared and forwarded to the fiscal officer for recording the obligation.

2. Either of the two methods described herein may be used but, whichever is adopted, should be used consistently by the activity. The adoption of the monthly recording of obligations against the BPA does not preclude the daily recording of obligations during special periods of the fiscal year when conditions so warrant.

6407. CONTROLS

1. Due to the minimum paperwork involved with BPA purchasing, certain controls are necessary to prevent misuse or fraud. Offices should establish controls which preclude the performance of any two of the following functions by the same person as far as possible:

- a. Initiation of the requirement.
- b. Placement of the BPA call.
- c. Receipt, inspection, and acceptance of the material.

2. If local circumstances make the use of a three-way control impractical, the established control as a minimum should provide that the person placing the call does not perform the function of receipt, inspection, and acceptance required thereunder.

6408. REVIEW PROCEDURE

1. The contracting officer or the designated representative shall review all BPA files at least semiannually to assure that authorized procedures are being followed. The review will

consist of assuring that purchases are being made in strict compliance with the provisions contained in this part and otherwise in the best interests of the Government. When an activity ordering against a BPA does not come under the jurisdiction of the command of the contracting officer issuing the agreement, the command utilizing the BPA shall conduct the necessary review. In addition, the contracting office which entered into the BPA shall also review and update, as required, each BPA at least annually. When BPA's are issued by the contracting officer at a Marine Corps district, MARTD, post or station, FMF unit, or any other Marine Corps activity, rather than by a contracting officer from a major regional contracting activity, the inspector shall be designated by the commander or officer in charge of the organization using the BPA's. The inspection reports shall remain on file with the BPA's.

CHAPTER 6

OPEN-MARKET PURCHASING

SECTION 5: PURCHASE ORDER-INVOICE-VOUCHER METHOD

6500. INFORMATION. SF 44 (Purchase Order-Invoice-Voucher) is designed primarily for over-the-counter purchase by authorized individuals while away from the contracting office or at isolated activities. It is a multipurpose form which can be used as a purchase order, receiving report, supplier's invoice, and public voucher.

6501. CONDITIONS FOR USE. Since there are no written terms and conditions included thereon, the order-invoice-voucher method is the least desirable purchase method. SF 44 is authorized for use only when no other small purchase method is considered more suitable and all of the following conditions are satisfied:

1. The transaction is not in excess of \$2,500.
2. Supplies or services are immediately available.
3. One delivery and one payment will be made.

6502. SECURITY OF SF 44. In view of the negotiable character of the SF 44, using activities shall maintain adequate security and safeguards to assure authorized use of the form and availability of sufficient funds when this method is authorized for use.

6503. PREPARATION

1. The preparation of the form will be done by ball-point pen, indelible pencil, or typewriter. All copies of the form must be legible. The seller's (supplier's) name and address must be printed.
2. Items ordered will be individually listed. General descriptions, such as "hardware, plumbing, and band supplies," are not acceptable.
3. SF 44 shall not be executed prior to delivery or performance by the seller.
4. An authorized Government representative, designated in writing by the commander of the activity, shall prepare and execute the form at the time of purchase.
5. Negotiation authority need not be cited on SF 44.

6. Appropriate entries shall be made in the blocks and columns of SF 44 as follows:

a. The blocks relating to the method of payment, voucher number, and certification that the "account is correct and proper for payment" will not be completed.

b. In the "order number" block, unless already numbered by overprinting, an order number in the local purchase order numbering series will be inserted and must appear on all copies. (See chapter 10.)

c. In the block entitled "date of order," the date of delivery or performance by the supplier will be inserted.

d. The seller's business name and address will be printed in the space provided.

e. In the block entitled "furnish supplies or services to (name and address)," the name and address of the ordering activity will be inserted.

f. The description, quantity, unit price, and total price of the supplies or services being purchased will be set forth fully and precisely.

g. In the block entitled "agency name and mailing address," the words "Department of the Navy" and the name and address of the ordering activity will be inserted. If the seller offers a prompt payment discount, the discount terms will be inserted in the space provided. In the block entitled "date invoice received," the date the copy is signed by the seller and returned to the ordering employee will be inserted.

h. In the block entitled "ordered by (signature)," the ordering employee as designated by paragraph 6503.4 will sign their name.

i. In the block entitled "purpose and accounting data," the following information will be inserted:

(1) Project reference, limitation, or other identifying description.

(2) Enter proper accounting data, if known.

j. In the blocks entitled "received by, title, and date," the employee receiving the material from the supplier will sign their name, title, and date material was received.

7. Upon completion of the purchase of SF 44, distribution will be as follows:

a. The purchaser gives the first two parts to the vendor (the seller's invoice and the seller's copy of the order).

b. The vendor keeps the second part (the seller's copy of the order) and submits the first part (the seller's invoice) to the disbursing officer as an invoice for payment.

c. As an alternative, the purchaser may retain the seller's invoice and submit it for the vendor upon the purchaser's return to the home activity.

d. In any event, the purchaser retains the third and fourth copies of the SF 44 for use when that individual returns home.

e. Upon return to the home activity, the purchaser will prepare NavCompt 2277 (Public Voucher for Payment of Supplies or Services other Than Personal) and forward it with part 3 (receiving report) to the appropriate disbursing office.

f. Part 4 will be retained in the purchasing file.

6504. USE OF DD FORM 1155. DD Form 1155 may also be used for over-the-counter purchases supported by the supplier's invoice.

CHAPTER 6

OPEN-MARKET PURCHASING

SECTION 6: FAST PAYMENT PROCEDURE

6600. INFORMATION. The fast payment procedure is designed to reduce leadtime to the consignee and to improve supplier relations by expediting payment for small purchases. This procedure provides for payment for supplies based on the contractor's certification of the invoice that the supplies have been delivered to a post office, common carrier, or point of first receipt by the Government and that the contractor agrees to replace, repair, or correct supplies not received at destination, damaged in transit, or not conforming to purchase agreements.

6601. CONDITIONS FOR USE. When the following conditions are present, the fast payment procedures should be used to the maximum extent possible, provided such use is consistent with the other conditions of the purchase. Use of the fast payment procedure would not be indicated, for example, in small purchases by posts and stations when material being purchased is destined for use at such activities and contract administration will be performed by the contracting office of such activities.

1. Individual orders do not exceed \$10,000 except that, for the purchase of (a) brand name commissary store subsistence resale and (b) commercial-type medical supplies for direct shipment overseas, the procedure may be used without limitation. When the fast payment procedure is provided pursuant to (a) or (b) herein, the following clause shall be inserted:

Fast Payment Procedure (Aug 1988)

a. General. Invoices will be paid on the basis of the contractor's delivery to a post office or common carrier (or, in the shipment by other means, to the point of first receipt by the Government).

b. Responsibility for supplies. Title to the supplies shall vest in the Government upon delivery to a post office or common carrier for shipment to the specific destination. If shipment is by means other than post office or common carrier, title to the supplies shall vest in the Government upon delivery to the point of first receipt by the Government. Notwithstanding any other provision of the contract or order, or blanket purchase agreement (BPA) the contractor shall assume all responsibility and risk of loss for supplies (1) not received at destination, (2) damaged in transit, or (3) not conforming to purchase requirements. The contractor shall either replace, repair, or correct those supplies promptly at the contractor's expense, but only if

instructions to do so are furnished by the contracting officer within 180 days from the date title to the supplies vests in the Government.

c. Preparation of Invoice

(1) Upon delivery of supplies to a post office, common carrier (or, in shipments by other means, the point of first receipt by the Government) the Contractor shall prepare an invoice as provided in this contract or order, or BPA. In addition, the invoice shall be prominently marked "FAST WAY."

(2) If the purchase price excludes the cost of transportation, the contractor shall enter the prepaid shipping cost on the invoice as a separate item. The cost of parcel post insurance will not be paid by the Government. If transportation charges are separately stated on the invoice, the contractor agrees to retain related paid freight bills or other transportation billings paid separately for a period of 3 years and to furnish such bills to the Government when requested for audit purposes.

(3) If this contract, order, or BPA requires the preparation of a receiving report on a prescribed form, the contractor has the option of either preparing the receiving report on the prescribed form or including the following information on the invoice, in addition to that required in subparagraph (c)(1) above: (i) A statement in prominent letters "NO RECEIVING REPORT PREPARED", (ii) Shipment Number, (iii) Mode of shipment, (iv) At line item level, (A) National Stock Number and/or manufacturer's part number, (B) Unit of Measure, (c) Ship-To-Point, (d) Mark-For-Point if in contract, and (E) FEDSTRIP/MILSTRIP document number if in contract.

(4) If this contract, order, or BPA does not require preparation of a receiving report on a prescribed form, the invoice will include at the line item level information at the line level in addition to that required in subparagraph (c)(1) above: (i) Ship-To Point, (ii) Mark-For Point, (iii) FEDSTRIP/MILSTRIP document number if in contract, in addition to that required in subparagraph (c)(1) above.

(5) Where a receiving report is not required, a copy of the invoice will be included in each shipment.

d. Certification of Invoice. The Contractor agrees that the submission of an invoice to the Government for payment is a certification that the supplies for which the Government is being billed have been shipped or delivered per the shipping instructions issued by the ordering officer, in the quantities shown on the invoice, and that the such supplies are in the quantity and the quality designated by the contract, order, or BPA.

e. Fast Pay Container Identification. All outer shipping containers shall be marked "FAST PAY."

(End of Clause)

2. Title to the supplies will vest in the Government upon delivery to a post office or common carrier for mailing or shipment to destination, or upon receipt by the Government when the shipment is by means other than the post office or common carrier.

3. Supplier agrees to replace, repair, or correct supplies not received at destination, damaged in transit, or not conforming to purchase requirements. Consignees shall notify the contracting office originating the order whenever supplies are not received, damaged in transit, or do not conform to contract specifications.

4. Supplier will execute a certificate of mailing or shipment, or a certificate of delivery, to the point of first receipt by the Government.

6602. PREPARATION AND EXECUTION

1. Orders shall be issued on DD Form 1155, except that calls against BPA's shall be issued per chapter 6, section 4. Orders may be either priced or unpriced.

2. Special data to be included on purchase orders or in BPA's using the fast pay procedures are as follows:

a. A requirement for the supplies to be shipped, transportation or postage prepaid.

b. A requirement that invoices be submitted direct to the finance office or other office designated in the order or, in the case of unpriced purchase orders, to the contracting officer. (See paragraph 6305.)

c. The following statement on the consignee's copy:

CONSIGNEE'S NOTIFICATION TO CONTRACTING ACTIVITY OF NONRECEIPT, DAMAGE, OR NONCONFORMANCE. THE CONSIGNEE SHALL NOTIFY THE CONTRACTING ACTIVITY PROMPTLY AFTER THE SPECIFIED DATE OF DELIVERY IN THE PURCHASE ORDER, OF SUPPLIES NOT RECEIVED, DAMAGED IN TRANSIT, OR NOT CONFORMING TO SPECIFICATIONS OF THE PURCHASE ORDER. UNDER EXTENUATING CIRCUMSTANCES, SUCH NOTIFICATION SHOULD BE MADE NO LATER THAN 60 DAYS AFTER THE SPECIFIED DATE OF DELIVERY.

d. Check the block on DD Form 1155 which refers to the applicability of clause number 15 of the general provisions of the purchase order.

e. A requirement that outer shipping containers shall be marked "FAST PAY."

6603. RESPONSIBILITY FOR COLLECTION OF DEBTS. The contracting officer shall be primarily responsible for collecting debts resulting from failures of contractors to properly replace, repair, or correct supplies lost, damaged, or not conforming to the purchase requirement.

MARINE CORPS PURCHASING PROCEDURES MANUAL

CHAPTER 7

MISCELLANEOUS INSTRUCTIONS FOR PURCHASING

	<u>PARAGRAPH</u>	<u>PAGE</u>
PURCHASE REQUEST DOCUMENTS	7000	7-5
RECORDS OF PURCHASE ACTIONS	7001	7-6
AGREEMENTS BETWEEN THE GOVERNMENT AND ITS EMPLOYEES	7002	7-7
TAXES	7003	7-7
VARIATIONS IN QUANTITY	7004	7-9
TRANSPORTATION CHARGES	7005	7-10
DISCOUNTS	7006	7-11
INSPECTIONS AND ACCEPTANCE	7007	7-11
PREMIUMS	7008	7-12
PROCUREMENT ADMINISTRATIVE LEADTIME	7009	7-12
EQUIPMENT LEASE OR PURCHASE	7010	7-12

SECTION 1: PURCHASING FROM ARMED FORCES EXCHANGES

INFORMATION	7100	7-15
CERTIFICATION	7101	7-15
RESTRICTION	7102	7-16

SECTION 2: BOARD AND LODGING AGREEMENTS

SOLICITING QUOTATIONS	7200	7-17
EVALUATING QUOTATIONS	7201	7-17
PREPARATION OF AWARD	7202	7-18
EXECUTION AND DISTRIBUTION	7203	7-18
		7-1

MARINE CORPS PURCHASING PROCEDURES MANUAL

	<u>PARAGRAPH</u>	<u>PAGE</u>
ORDERING	7204	7-18

SECTION 3: SERVICES FOR UNIFORM ALTERATIONS AND SHOE REPAIR

INFORMATION	7300	7-19
-----------------------	------	------

SECTION 4: OTHER REGULATIONS AFFECTING PURCHASING OF SELECTED ITEMS

PRINTING SERVICES	7400	7-21
UTILITIES SERVICES	7401	7-21
TELEPHONE SERVICES	7402	7-21
MUSICAL INSTRUMENTS, ACCESSORIES, AND ACCOUTERMENTS	7403	7-21
TYPEWRITERS	7404	7-21
ATHLETIC AND RECREATIONAL CLOTHING AND EQUIPMENT	7405	7-21
RESERVED	7406	7-21
LINEN SUPPLY SERVICES	7407	7-21
AUTHORIZED USE ADVERTISING APPROPRIATIONS .	7408	7-23
ACQUISITION OF FEDERAL INFORMATION PROCESSING (FIP) RESOURCES	7409	7-24
PURCHASING OF INTRACITY BUS/TAXI SERVICE .	7410	7-25
AWARDS AND TROPHIES	7411	7-25
RELIGIOUS MINISTRY SUPPLIES AND EQUIPMENT .	7412	7-25

SECTION 5: PERFORMANCE AND PAYMENT BONDS

INFORMATION	7500	7-27
-----------------------	------	------

MARINE CORPS PURCHASING PROCEDURES MANUAL

PARAGRAPH PAGE

SECTION 6: SERVICE CONTRACTS

INFORMATION	7600	7-29
ADMINISTRATION	7601	7-30
CONTRACT TERM	7602	7-31
SERVICE CONTRACTS WITH QUASI-MILITARY ARMED FORCES ORGANIZATIONS	7603	7-32
CRITERIA FOR RECOGNIZING "PERSONAL" OR "NONPERSONAL" SERVICES	7604	7-32

SECTION 7: MISCELLANEOUS CONTRACT CLAUSES

DISPUTES	7700	7-37
AFFIRMATIVE ACTION FOR HANDICAPPED WORKERS .	7701	7-39
CONTRACT WORK HOURS AND SAFETY STANDARD ACT - OVERTIME COMPENSATION	7702	7-41
EQUAL OPPORTUNITY	7703	7-43

SECTION 8: PRIORITIES AND ALLOCATIONS

APPLICABILITY	7800	7-47
BACKGROUND INFORMATION AND DEFINITIONS . . .	7801	7-47
DELEGATION OF AUTHORITY	7802	7-48
DO RATINGS	7803	7-49
DEFENSE MATERIALS SYSTEM (DMS)	7804	7-51
REQUIREMENTS	7805	7-52
SPECIAL ASSISTANCE	7806	7-52

	<u>PARAGRAPH</u>	<u>PAGE</u>
SECTION 9: PROTEST BEFORE/AFTER AWARD AND CONGRESSIONAL INQUIRES		
INSTRUCTIONS FOR HANDLING PROTESTS BEFORE AWARD	7900	7-53
INSTRUCTIONS FOR HANDLING PROTESTS AFTER AWARD	7901	7-53
CONGRESSIONAL INQUIRES	7902	7-54

MARINE CORPS PURCHASING PROCEDURES MANUAL

CHAPTER 7

MISCELLANEOUS INSTRUCTIONS FOR PURCHASING

7000. PURCHASE REQUEST DOCUMENTS

1. All purchases shall be based on an authorized purchase request document (requisition) showing the following information:

- a. Complete description of the supplies or services
- b. Recommended source, if known.
- c. Appropriation data.
- d. Citation of funds.
- e. Shipping instructions.
- f. Special packing or marking information, when applicable.
- g. Signature of authorized requisitioner.
- h. Document number assigned per UM 4400-15.
- i. UMMIPS designator and/or required delivery date.

Assignment will be per MCO 4400.16. The assignment of "ASAP" (as soon as possible) is not considered a valid priority designator and will be processed as a routine document by the receiving office.

2. No action shall be taken to affect a purchase under the authority of this Manual, the FAR, DFAR, or NAPS, unless there is an authorized requisition, completed per the preceding, to support such purchase. Requisitioners may submit their request to the contracting officer on a DD Form 1149, NavCompt Form 2276, or any locally designed form, citing the necessary information set forth in paragraph 7000.1, preceding. (See appendix A for sample requisitions.)

3. An exception to paragraph 7000.1 will be made on a case-by-case basis where contracting offices are connected with an automated system which submits purchase requests directly to their organization. Contracting officers shall request waiver of the requirements of paragraph 7000 to the CMC (LB) after they have examined the control features of the systems and are assured there are adequate controls to prevent misuse or fraud.

4. Upon receipt of an authorized purchase request document, the contracting officer will immediately record both the date and time the purchase request was received in the contracting

office for processing. This information will be required for computation of procurement administrative leadtime (PALT) as specified in paragraph 7009.

7001. RECORDS OF PURCHASE ACTIONS

1. The purchase file shall contain sufficient documentation of actions taken with respect to the purchase transaction to constitute a full history of the transaction and to permit ready reconstruction of all stages of the transaction. When the documents in the purchase file do not clearly represent all actions taken to accomplish the purchase, suitable memoranda should be prepared promptly and retained in the file in chronological order. The memoranda may be handwritten and should briefly state any facts or determinations not otherwise provided for in the file, such as oral instructions, records of telephone conversations, etc.

2. The following is a guide as to the minimum documents/justification required to be in a purchase file:

a. Purchases Under \$2,500

(1) An authorized purchase request.

(2) A copy of the purchase/delivery order and, in the case of a BPA, a copy of the delivery ticket/receiving report or any modifications made pertaining thereto.

(3) A copy of the receiving report.

(4) A copy of the payment voucher (DD Form 1155 or NavCompt Form 2277).

(5) Documentation on all follow-up actions performed on delinquent deliveries; i.e., made telephone call this day, Mr. X said order was shipped 4 days late because

(6) Any other information/documentation supporting the purchase files as to why a particular action was taken. Also, any descriptive literature or pamphlets of the item purchased.

b. Purchases Over \$2,500

(1) An authorized purchase request.

(2) An abstract of quotations solicited and received (generally limited to three suppliers).

(a) If competition was solicited but none was received, a price reasonableness justification explaining how the price was determined "fair and reasonable."

(b) If no competition was solicited, a sole source justification and a price reasonableness justification as stated in the preceding.

(3) A copy of the purchase/delivery order and, in the case of a BPA, a copy of the delivery ticket/receiving report or any modification made pertaining thereto.

(4) A copy of the payment voucher (DD Form 1155 or NavCompt Form 2277).

(5) Documentation of all follow-up actions performed on delinquent deliveries.

(6) If the procurement is under \$25,000 and award was made to large business, documentation is required as to why Public Law 95-507 (Procurement under \$25,000 reserved for small business) could not be followed.

(7) Any other information/documentation supporting the purchasing file.

7002. AGREEMENTS BETWEEN THE GOVERNMENT AND ITS EMPLOYEES

1. Agreements shall not knowingly be entered into between the Government and employees of the Government or business organizations which are substantially owned or controlled by Government employees, except for the most compelling reasons, such as cases when the needs of the Government cannot reasonably be otherwise supplied.

2. When a contracting officer has reason to believe that an exception as described in paragraph 7002.1 should be made, approval of the CMC (LB) and (HCA) shall be obtained prior to entering into such an agreement.

7003. TAXES

1. State and Local Taxes

a. Prospective suppliers should be informed that the U.S. Government is exempt from State and local sales tax and should be requested not to levy such taxes on Marine Corps purchases.

b. Where a repeat business is done with a given vendor, the Marine Corps exemption to such taxes should be established on a long-term basis via a letter or other appropriate evidence (see paragraph 7003.1e).

c. However, to the extent that it is necessary to do so, State and local sales taxes may be paid on individual small purchases, including those accomplished from the imprest fund.

Any such taxes should be shown as a separate item on the invoice and voucher.

d. When the amount of State or local tax is \$10 or more, the SF 1094 (U.S. Tax Exemption Certificate) may be issued to exempt the Marine Corps from payment of the tax. The decision as to when it is cost-effective to issue an SF 1094 shall be that of the purchasing officer. In no event, however, should the form be used to exempt tax payments of less than \$10. (See appendix A for appropriate form and format.)

e. Evidence appropriate to establish exemption or immunity from State or local taxes will vary, depending on the ground of exemption or immunity claimed, the parties to the transaction, and the requirements of the taxing jurisdiction. Such evidence includes but is not limited to the following:

(1) U.S. Government Tax Exemption Certificate (SF 1094).

(2) A copy of the contract/purchase order or a portion thereof.

(3) Shipping documents indicating that shipments are interstate or foreign commerce.

(4) A State or local form indicating that supplies or services are for the exclusive use of the United States.

(5) Any other State or locally required form, certificate, or document to establish general or specific exemption.

(6) A letter on Marine Corps letterhead requesting exemption on the basis that the Marine Corps is an activity of the Federal Government.

2. Requisitioning and Custody of SF's 1094 and 1094a

a. General Information. Government tax exemption certificates are furnished in books containing 25 certificates. Each book contains certificates SF 1094 and tabulation sheets (inserts), and SF 1094a. These forms are requisitioned through normal supply channels for cognizant symbol I material.

b. Control of Certificates. Chief of the contracting office will be responsible for complete control of books of certificates received from stock points and issued to persons authorized to use them and for completion of the information required on SF 1094a. An adequate accounting record will be maintained to show at all times:

(1) The quantity of Government tax exemption certificate books received.

(2) The number of each book issued and to whom issued.

(3) The number of each book (or certificate) returned for reissue, cancellation, or as completely used book covers.

(4) The balance on hand and available for distribution to persons authorized to use them.

The cover and tabulation sheets of completely used books and any canceled certificates will be disposed of per normal procedures for the disposal of naval records.

7004. VARIATIONS IN QUANTITY

1. Requests for quotation, purchase orders for bulk quantity items, and those items subject to shrinkage, evaporation, miscount, weight or footage variance, etc., shall specify a maximum allowable variation in the order so that shipments in excess of the order quantity may be accepted if the reason for such excess comes within the Variation in Quantity Clause of the order and the aggregate amount of the order does not exceed authorized limitations.

2. There should be no standard or usual percentage or variation. Each purchase for which an overrun or underrun is permissible should be based on the normal commercial practices of the particular industry for particular items, and the permitted percentage should be no larger than is necessary to afford a contractor reasonable protection. In no event shall the permissible variation exceed plus or minus 10 percent.

3. The following clause shall be included in the schedule, only when one or more of the causes of quantity variation foreseeable exists at the time of solicitation:

Variation in Quantity (April 1984)

The permissible variation under the clause of the General Provisions entitled "Variation in Quantity" shall be limited to:

Increase: _____%

Decrease: _____%

(Specify the permitted variance or state "none".)

This increase or decrease shall apply to _____^{1/}_____.
(FAR 52.212-9)

^{1/} Insert in the blank the designation(s) to which the percentages apply, such as the total contract quantity, item 1 only, each quantity specified in the

delivery schedule of the Time of Delivery Clause, the total item quantity for each destination, or the total quantity of each item without regard to destination.

4. Orders permitting quantity variations must provide for the obligations of sufficient funds to cover the maximum allowable variation.

7005. TRANSPORTATION CHARGES

1. Unless there are valid reasons to the contrary, the purchase of supplies from sources within the CONUS for ultimate delivery to destinations within CONUS shall be on the basis of all transportation charges prepaid to destination.

2. Requesting price quotations from dealers, either orally or in writing, the dealer shall be advised that prices are desired on an "f.o.b. destination" basis.

3. When the dealer refuses to quote or furnish the material on other than an f.o.b. destination basis or when it is otherwise considered by the contracting officer to be in the best interest of the Government, the clauses contained in paragraph 7005.4 shall be used; and the purchasing file shall be documented with the essential information.

4. When supplies are ordered on other than f.o.b. destination basis, the following clauses shall be included in the order:

Material will be delivered f.o.b. _____, with the shipment to be made to destination(s) specified herein at supplier's expense, subject to reimbursement.

The transportation cost is to be shown on the same invoice as supplies are billed but as a separate item. The contractor agrees to retain related transportation billings paid separately for a period of 3 years and to furnish such bills to the Government when requested for audit purposes.

5. Purchase orders providing for billing of transportation charges in addition to the billing for the ordered item, as indicated in paragraph 7005.4, must provide for the obligation of sufficient funds to cover the estimated shipping costs. The estimate of transportation charges can be obtained from the military traffic management agency serving the area.

6. "For contracts/purchase orders issued by offshore contracting offices that delegate the authority to the contractor to accomplish responsibilities published in DoD 4500.32-R, volume I, and MCO P4600.14, the Procurement Traffic Section located at the MCLB, Barstow, California assumes sole responsibility for establishing transportation liaison with the contractor per the

provisions of MCO 4610.13. This liaison includes preparing and distributing all MILSTAMP documentation, processing of all export traffic releases, providing instructions to the contractor for the proper marking of shipments and initiating tracer action when appropriate."

7. When the contract or purchase order requires the use of a GBL and prepaid postage, the following clause shall be added:

F.O.B. Origin-Government Bills of Lading and Prepaid Postage
(1984 Apr)

(a) F.O.B. origin shipments shall be made on Government bills of lading or, if the supplies are mailable, via the U.S. Postal Service or a foreign postal system, as appropriate, with postage costs prepaid by the contractor. Any direct charge for postage costs shall be listed as a separate item on invoices for the supplies shipped. Use of agency official indicia mail by contractors is not authorized. Quantities shall not be divided into mailable lots for the express purpose of avoiding movement by other modes of transportation.

(b) If Government bills of lading are not furnished with the contract or applicable ordering document, the contractor shall obtain them from the contracting officer or designated representative.

(c) Unless otherwise directed, the contractor shall address overseas parcel post to an ultimate DoD consignee in care of a designated Army, Air Force, or Navy (fleet) post office and not to, or in care of, a transportation officer, or other activity at CONUS water or aerial terminal for transshipment.

7006. DISCOUNTS

1. "Prompt payment" discounts are those offered by suppliers to their customers as an incentive or reward to expedite processing of invoices for payment. When soliciting quotations, either written or oral, every effort shall be made to obtain such discounts; however, prompt payment discounts shall not be considered in the evaluation and overall comparison in determining the low bid (quotation).

2. "Trade discounts" are those offered by the supplier for large quantity purchases, wholesale considerations, or other reasons common in the trade and should be encouraged.

7007. INSPECTIONS AND ACCEPTANCE

1. Orders generally will provide that inspection and acceptance will be at destination. When inspection and acceptance are to be performed at destination, advance copies of the purchase order

shall be furnished to the consignee(s) for material receipt purposes. Receiving reports shall be accomplished immediately upon receipt and acceptance of material to ensure expeditious payment of orders and to ensure prompt payment discounts, except when the fast payment procedure is authorized. Normally, inspection at origin with acceptance at destination shall not be specified.

2. In determining the type and extent of Government procurement quality assurance actions to be required on small purchases, the criticality of application of the item, the amount of possible losses, and the likelihood of uncontested replacement of defective supplies shall be considered.

3. Unless detailed technical inspection is necessary, inspection shall consist of examination of type and kind, quantity, damage, operability (if readily determinable), and packaging and marking (if applicable). However, detailed inspection shall be performed if special specifications are involved or if defective supplies can harm personnel or equipment. Detailed technical inspection may be limited to a check of characteristics which require separate specifications and of those likely to cause harm. Such inspections may be limited to inspection of occasional purchases of the same item from the same manufacturer when there is good reason to rely upon the integrity of the manufacturer because of known safeguards and a significant history of defect-free purchases. (Purchasers, installers, and users may be considered inspectors for small purchases inspection purposes.)

7008. PREMIUMS. Premiums are incentive items which are offered to contracting activities as a bonus for ordering a certain amount of an item; e.g., "If you purchase a thousand cartons of antifreeze, we will give you a 12-inch portable television." The procedure for handling premium offers will be per paragraph 4011.

7009. PROCUREMENT ADMINISTRATIVE LEADTIME. PALT is a method for determining the total number of elapsed calendar days from the date the purchase request document was received in the contracting office, in a form that it could be processed, until the date the award was made. All contracting officers shall maintain a management system which accurately records PALT data by both type of contract instrument and priority designator.

7010. EQUIPMENT LEASE OR PURCHASE

1. The decision to acquire equipment by lease or purchase must be made on a case-by-case basis. For the most part, when an activity identifies a need for a particular piece of equipment, that equipment will be purchased outright by the Government and retained on the property account of that activity. In certain

circumstances, however, acquisition of equipment by a purchase method may not be appropriate. For example, in those situations where equipment is required for only a short period of time, acquisition by lease method would be more advantageous and would result in a lower overall cost to the Government than the purchase method.

2. In the event a requiring activity desires to consider a lease alternative, some form of economic analysis must be conducted to support the Government's lease decision. This analysis, at a minimum, must address those comparative factors set forth in MCO 7000.12. In the event this lease method of acquisition is the most cost-effective approach for acquiring the equipment, a detailed justification must be provided to support the lease decision.

3. The purchase file shall fully document those situations where a lease approach is determined to be the most advantageous acquisition alternative to the Government.

CHAPTER 7

MISCELLANEOUS INSTRUCTIONS FOR PURCHASING

SECTION 1. PURCHASING FROM ARMED FORCES EXCHANGES

7100. INFORMATION. Armed services exchanges or exchange-operated enterprises to include Government-operated commissary stores, and nonappropriated fund activities are normally precluded from submitting quotations or bids for Government supplies and/or services in competition with commercial bidders. However, when a public exigency exists or when the same class or supplies or services cannot be conveniently or reasonably secured elsewhere, (for example in a foreign country) authority is granted to purchase such supplies or services from these activities. Purchases shall be affected by use of one of the purchase methods set forth in chapter 6. Procurement of supplies from the armed services exchanges is authorized, for Camp Butler only, within the following conditions: (1) supplies are in-stock; (2) supplies are directly in support of the Armed Forces and (3) the total order does not exceed \$50,000; and all prescribed conditions (exigency etc...) are satisfied.

7101. CERTIFICATION

1. In the purchase of services from those activities listed in paragraph 7100, preceding, care shall be taken to ensure that public funds are not used for maintenance of equipment required to furnish the service.

2. All invoices for such services performed for the Government must contain the following certification over the signature of the exchange officer in addition to the regular payee's certification:

"I certify that no public funds are used for the maintenance of equipment used in the performance of the invoiced service."

3. Further, one of the following certifications signed by the contracting officer must appear on the purchase instrument or invoice for services obtained by the Government:

"I hereby certify that satisfactory service cannot be obtained from private sources at a cost less than that charged by the exchange-operated facility and that the work paid for hereon is necessary in the best interest of the Government."

OR

"I certify that the supplies listed cannot reasonably be obtained from commercial or private sources and that the supplies paid for hereon are necessary in the best interest of the Government."

(NOTE: Consideration for testing reasonableness are (1) time, (2) cost of material, (3) freight/shipping cost, and (4) cost of processing the procurement instrument.)

7102. RESTRICTION. SF 149 (U.S. Government National Credit Card) will not be used at Armed Forces exchange gas stations inasmuch as its use, as set forth in paragraph 5104, is limited to "commercial facilities."

MARINE CORPS PURCHASING PROCEDURES MANUAL

CHAPTER 7

MISCELLANEOUS INSTRUCTIONS FOR PURCHASING

SECTION 2: BOARD AND LODGING AGREEMENTS

7200. SOLICITING QUOTATIONS

1. Quotations shall be competitively solicited from responsible sources of supply by utilizing the DD Form 1155. In addition to the information required by the DD Form 1155, the following specifications can be used, subject to change to meet local conditions:

"Lodging shall be that as selected by the officer in charge, (address of activity), and shall be kept in a clean and sanitary manner. Clean linen shall be placed on each bed for each occupant. Occupants shall have access to washrooms, toilets, baths, and lounges. Lodging is to be furnished in such quantities and at such times as designated by the officer in charge for the period beginning _____ and ending _____. BREAKFAST shall consist of fruit or cereal; two eggs or bacon and eggs; rolls, bread, or toast; butter; tea, coffee, or milk; and sugar. LUNCH shall consist of meat; potatoes, one vegetable or salad; bread; butter; tea, coffee, or milk; and sugar. BOX LUNCH shall consist of three sandwiches, cake or pie, appetizer, fresh fruit, and carton of milk and shall be put up in a neat compact form for carrying. DINNER shall consist of meat or fish; two vegetables; rolls or bread; butter; tea, coffee, or milk; sugar; and dessert."

2. The monetary limitation of board and lodging agreements shall be the same as those for BPA's. When the total aggregate amount of all calls placed under the agreement is expected to exceed \$2,500 in any fiscal year, competition will be required only when the board and lodging agreement is initially established.

3. Board and lodging agreements may only be entered into by those units listed in paragraphs 2000 through 2003.

4. Due care shall be exercised by units in the number of agreements placed in effect at any one time, particularly within a Marine Corps district where several agreements may be placed unnecessarily which could otherwise be satisfied by one agreement placed by one unit.

7201. EVALUATING QUOTATIONS. Quotations shall be evaluated and award made per the instructions contained in paragraph 6004. See section 7 of this chapter for mandatory clauses relative to the Service Contract Act.

7202. PREPARATION OF AWARD. The agreement shall be prepared on DD Form 1155 and numbered in the manner prescribed in chapter 10. Block 19 of the DD Form 1155 shall contain a complete description of the board and/or lodging to be furnished by the contractor. A sample format is included in appendix A.

7203. EXECUTION AND DISTRIBUTION. The execution and distribution of board and lodging agreements shall be the same as those prescribed for BPA's in chapter 6, section 4.

7204. ORDERING. Ordering shall be the same as that prescribed for BPA's in chapter 6, section 4.

MARINE CORPS PURCHASING PROCEDURES MANUAL

CHAPTER 7

MISCELLANEOUS INSTRUCTIONS FOR PURCHASING

SECTION 3: SERVICES FOR UNIFORM ALTERATIONS AND SHOE REPAIRS

7300. INFORMATION. Services for uniform alterations and shoe repairs authorized by MCO P10120.28 shall be purchased per chapter 6 of this Manual. Commanders of organizations covered by paragraphs 2000 through 2003 may authorize use of the imprest fund for purchase and payment of these services when requirements are sporadic and minimal; i.e., arising once or twice in any given 30-day period and each purchasing action not in excess of \$500. In the event these services are acquired from an Armed Forces exchange, the certification required by paragraph 7101.3 must be included.

MARINE CORPS PURCHASING PROCEDURES MANUAL

CHAPTER 7

MISCELLANEOUS INSTRUCTIONS FOR PURCHASING

SECTION 4: OTHER REGULATIONS AFFECTING PURCHASE OF SELECTED
ITEMS

7400. PRINTING SERVICES. Printing services shall be purchased per the instructions contained in MCO P5600.31.

7401. UTILITIES SERVICES. Utilities services shall be purchased per the instructions contained in MCO P11000.9.

7402. TELEPHONE SERVICES. Services shall be purchased per ordering instructions contained in the requirements telephone services contracts issued by the Marine Corps and NAVCOCOMCEN. Offices listed in paragraphs 2000 through 2002 are authorized to place delivery orders up to \$300,000 against these requirements contracts.

7403. MUSICAL INSTRUMENTS, ACCESSORIES, AND ACCOUTERMENTS. Musical instruments, accessories, and accouterments shall be purchased per the instructions contained in MCO 4225.2.

7404. TYPEWRITERS. Typewriters shall be purchased per the instructions contained in MCO 10460.2.

7405. ATHLETIC AND RECREATIONAL CLOTHING AND EQUIPMENT. Athletic and recreational clothing and equipment shall be purchased per the instructions contained in MCO P1710.17.

7406. RESERVED

7407. LINEN SUPPLY SERVICES

1. The DFAR 22.1006, provides that contractors, in order to furnish linen supply services to the Government, must pay their employees the minimum hourly wage prescribed by the Department of Labor. Accordingly, the following clauses shall be included in all linen supply contracts, when applicable:

a. Contracts in excess of \$2,500 shall include the clause contained in paragraph 7601.1.

b. Contracts or purchase orders not in excess of \$2,500 shall include the clause contained in paragraph 7601.2.

2. For a contract to qualify as a linen supply contract, the items must be furnished on a rental basis by the contractor.

3. For determining which items are or are not to be considered as linen supply items, the following guidelines will be used:

a. Items which are considered linen supply items:

- (1) Napkins.
- (2) Pillowcases.
- (3) Bed sheets.
- (4) Tablecloths.
- (5) Dish towels.
- (6) Face and hand towels.
- (7) Bath towels.
- (8) Washcloths.
- (9) Terry cloth towels.

(10) Wearing apparel of the type used by barbers, doctors, waitresses, waiters, nurses, food workers, beauticians, etc., including the following:

- (a) Dresses.
- (b) Uniforms.
- (c) Food service handlers' bibs.
- (d) Food service handlers' aprons.
- (e) Food service caps.
- (f) Food service handlers' jackets.
- (g) Food service specialists' coats.
- (h) Other wearing apparel.

b. Items which are not considered linen supply items:

- (1) Wiping cloths.
- (2) Mops.

(3) Uniforms worn by mechanics and production workers in heavy industry, machine shops, garages, service stations, etc., which are likely to be heavily soiled or greasy.

c. Items not considered as linen supply items shall be furnished subject to the regular rates stipulated by the Service Contract Act of 1965 cited in paragraph 7601.

7408. AUTHORIZED USE ADVERTISING APPROPRIATIONS

1. The Director, Personnel Procurement Division, and Marine Corps Recruiting Command, Headquarters, U.S. Marine Corps, and the Commanding General of Marine Reserve Force, are authorized to expend advertising funds for production and media space in: newspapers of general circulation; national magazines, professional and trade journals; newspapers, magazines, yearbooks, and other periodicals of high schools and colleges; train, bus, and taxi placards; posters; billboard and other outdoor advertising; theater screen advertising; handbills; sports programs; event programs (e.g., fairs, exhibitions, special celebrations); other printed media, and broadcast media. Advertising funds must also be cited when purchasing advertising related items (i.e., brochure and poster production, incentive items, and other items or products which support the total Marine Corps marketing/advertising program). This delegation covers advertisements or related items, limited in amount only by appropriation availability, without restriction as to the locale of the publication and/or distribution of the medium selected.

2. The Commanding Generals of Marine Recruit Depots San Diego and Parris Island are delegated similar authority, where the amount involved does not exceed \$25,000 per transaction in the open market or by placing orders against the established Headquarters Marine Corps Contract for advertising services. This may be redelegated to the Directors of the Marine Corps Districts.

3. The Commanding Generals of Marine Corps Recruit Depots San Diego and Parris Island may redelegate to the commanding officer of each Marine Corps recruiting station the authority to expend advertising appropriations, where the amount involved in the exercise of special or general authority does not exceed \$1,000 per transaction in: newspapers and magazines of general circulation; newspapers, yearbooks, and other periodicals of high schools and colleges; train, bus, and taxi placards; posters, billboard and other outdoor advertising; theater screen advertising; handbills; sports programs; event programs (e.g., fairs, exhibitions, special celebrations), and broadcast media; provided that the advertising services are placed or distributed within the assigned recruiting territory, but not elsewhere.

4. The aforementioned activities are required to submit a DD Form 1535 (request/approval to advertise) for all advertising expenditures, within the limitations of their delegated authority per DFAR. The required DD Form 1535 with signature thereon of the delegatee is to be forwarded with applicable purchase/delivery order to the disbursing officer for payment whenever cost account codes 1E70 or 1E75 are cited.

5. The imprest fund, BPA, and SF 44 purchase method will not be used for the purchase of paid advertising or advertising related items.

6. Paid advertising and advertising support initiatives, for any purpose other than the proceeding, will not be accomplished without written authorization from the CMC (MR).

7409. ACQUISITION OF FEDERAL INFORMATION PROCESSING (FIP) RESOURCES

1. The acquisition of certain FIP resources will not be initiated without the prior approval of the CMC (C4I), MCCTA.

2. The term, FIP resources, includes FIP equipment, software, services, support services, maintenance, related supplies and systems. FIP equipment includes the following:

a. Data processing and switching equipment, such as supercomputers, mainframes, minicomputers, microcomputers, analog and digital private branch exchanges (PBX);

b. Ancillary equipment, such as disk drives, tape drives, plotters, printers, storage and backup devices cable connected to computers, digital imaging equipment, optical storage and/or retrieval equipment, source data automation/recording equipment (e.g., optical character recognition devices, computer-generated microfilm and other data acquisition devices), punched card accounting equipment, and office automation equipment that was designed for use in conjunction with or controlled by a computer system; and

c. Telecommunications networks and related equipment, such as voice communications networks; data communications networks; local area networks; terminals; modems; data encryption devices; fiber optics and other communications networks; packet switching equipment; terrestrial carrier equipment (e.g., multiplexers and concentrators); lightwave, microwave or satellite transmission and receiving equipment; telephonic (including cellular) equipment; and facsimile equipment.

3. MCO's P5231.1 and 5236.2 (as modified by any interim guidance), discuss which types of FIP acquisitions require CMC (C4I), MCCTA approval (generally based on monetary thresholds)

and procedures for obtaining approval. It is the customer's responsibility to obtain appropriate approval for FIP acquisitions. However, contracting officers must ensure that customers provide appropriate approval documentation with their purchase requests. Consumable FIP supplies (floppy disks, printer ribbons, paper, etc); however, may be procured locally without obtaining any further approval from CMC (C4I), MCCTA.

7410. PURCHASING OF INTRACITY BUS/TAXI SERVICE. Intracity bus/taxi service will be purchased per the instructions contained in MCO P4600.14, chapter 311. That manual provides for the use of transportation requests for the purchase of tickets/stubs from taxi and bus companies in bulk.

7411. AWARDS AND TROPHIES. Requirements for awards, trophies, and other similar devices awarded in recognition of special accomplishments shall be purchased per SECNAVINST 3590.4 and MCO 4235.21. (Note: There shall be no appropriated funds used for the purchase of awards or any part of awards for personnel retirement, separations, or transfers.)

7412. RELIGIOUS MINISTRY SUPPLIES AND EQUIPMENT. Requirements for religious ministry supplies and equipment shall be purchased per MCO 4400.154.

MARINE CORPS PURCHASING PROCEDURES MANUAL

CHAPTER 7

MISCELLANEOUS INSTRUCTIONS FOR PURCHASING

SECTION 5: PERFORMANCE AND PAYMENT BONDS

7500. INFORMATION

1. Performance and/or payment bonds for contracts other than construction will not be used without the prior approval of CMC (LB).

CHAPTER 7

MISCELLANEOUS INSTRUCTIONS FOR PURCHASING

SECTION 6: SERVICE CONTRACTS

7600. INFORMATION

1. Service Contracts. A service contract is one which calls for a contractor's time and effort rather than for a concrete end product. Service contracts, purchase orders, basic ordering agreements (BOA's), and BPA's.

2. Service Contract Act of 1965, as Amended (Estimated)

a. Public Law 89-286 implemented the Service Contract Act of 1965, as amended. This Act applies to contracts, the principal purpose of which is to furnish services through the use of service employees. The term "service employee" is defined in paragraph (i) of the Act. (See figure A-28.) The Act does not, however, apply to contracts for services of executive, administrative and/or professional employees.

b. Provisions of the Act apply, but are not limited to, contracts for services, such as custodial, laundry or dry cleaning, guard, dining facility attendants, and other housekeeping services.

c. The Act applies to work performed in any State of the United States, the District of Columbia, Puerto Rico, the Virgin Islands, Outer Continental Shelf Lands as defined in the Outer Continental Shelf Lands Act, American Samoa, Guam, Wake Island, Eniwetok Atoll, Kwajalein Atoll, and Johnston Island, but does not apply to work performed in any other territory under the jurisdiction of the United States or any United States base or possession within a foreign country.

3. Personal Services and Nonpersonal Services

a. Personal services are those types of services normally performed by Government employees. Unless authorized by express statutory authority, personal service contracts are illegal and shall not be used to circumvent hiring civil service employees.

b. Nonpersonal services, on the other hand, represent an approved resource for DoD agencies in the accomplishment of their programs.

c. At the time the contracting officer receives, through a purchase request or other document, any requirement for the procurement of services, the individual shall determine whether the procurement is proper in the light of the personal

services policy. Paragraph 7604 sets forth basic criteria for recognizing personal" or "nonpersonal" services. Under simplified small purchase techniques, a written determination of nonpersonal services will not be required.

d. Activities may contact the CMC (LBO) for clarification if a question arises as to whether or not a particular service is "nonpersonal" in nature.

e. Counsel must review all determinations.

7601. ADMINISTRATION

1. Service Contracts Estimated at \$2,500 or Less

a. The following clause shall be included in every service contract estimated at \$2,500 or less, unless otherwise exempt as stated in this Manual:

Service Contract Act of 1965 as Amended - Contracts of \$2,500 or Less (May 1989)

Except to the extent that an exemption, variation, or tolerance would apply, pursuant to 29 CFR 4.6, if this were a contract in excess of \$2,500, the Contractor and any subcontractor hereunder shall pay all employees engaged in performing work on the contract no less than the minimum wage specified under section 6(a)(1) of the Fair Labor Standards Act of 1938, as amended. All regulations and interpretations of the Service Contract Act of 1965, as amended, expressed in 29 CFR Part 4, are hereby incorporated by reference in this contract.

b. In the case of a basic ordering agreement or BPA, the amount thereof shall be the aggregate amount of all orders estimated to be placed thereunder for 1 year after the effective date of the agreement. If a basic ordering agreement continues or is extended, such estimate shall be made annually for each year after the first and the agreement modified accordingly.

2. Service Contracts Estimated at \$2,500 or More

a. All solicitations and contracts for services, to include basic ordering agreements and BPA's, that are or may be in excess of \$2,500 unless otherwise exempt as stated in this Manual:

Service Contract Act of 1965. As amended (May 1989)

Except to the extent that an exemption, variation, or tolerance would apply, pursuant to 29 CFR 4.6, and if this were a contract in excess of \$2,500, the Contractor and any subcontractor hereunder shall pay all employees engaged in

performing work on the contract no less than the minimum wage specified under section 6(a)(1) of the Fair Labor Standards Act of 1938, as amended. All regulations and interpretations of the Service Contract Act of 1965, as amended, expressed in 29 CFR Part 4, are hereby incorporated by reference in this contract.

b. In the case of a basic ordering agreement or BPA, the amount thereof shall be the aggregate amount of all orders estimated to be placed thereunder for 1 year after the effective date of the agreement. If a basic ordering agreement continues or is extended, such estimate shall be made annually for each year after the first and the agreement modified accordingly.

3. Service Contracts Estimated at \$2,500 or More

a. All solicitations and contracts for services, to include basic ordering agreements and BPA's, that are or may be in excess of \$2,500, shall contain the following applicable clauses as required:

(1) Service Contract Act of 1965, as amended.

(2) Rates for Equivalent Federal Hires.

(3) SCA Minimum Wages and Fringe Benefits Applicable to Successor Contractor pursuant to Predecessor Contractor Collective Bargaining Agreement. (See FAR 52.233-01.)

(4) Disputes. (See paragraph 7700.)

(5) Affirmative Action for Handicapped Workers. (See paragraph 7701.)

(6) Contract Work Hours and Safety Standards Act-Over-time Compensation. (See paragraph 7702.)

(7) Equal Opportunity. (See paragraph 7703.)

b. No less than 30 days prior to issuance of a service contract instrument which is expected to exceed \$2,500, the contracting officer shall file with the Wage and Hour Division, United States Department of Labor (DOL), a SF 98/98a (Notice of Intention to Make a Service Contract).

c. Upon receipt of the completed SF 98/98a from the DOL, the solicitation or contract will be prepared, incorporating all applicable clauses and wage determinations, as specified herein.

7602. CONTRACT TERM. The term of a service contract that is funded by annual appropriations shall not extend beyond the end of the fiscal year current at the beginning of the contract term

without the prior approval of the CMC (LBO). Counsel should be consulted in this regard.

7603. SERVICE CONTRACTS WITH QUASI-MILITARY ARMED FORCES ORGANIZATIONS. Statutory law prohibits contracts with organizations which provide quasi-military armed forces for hire. This prohibition applies only to entering into a contract with an organization or its employees such as "Pinkerton Detective Agencies" or similar organizations, regardless of the character of the contract to be performed, if such organization offers quasi-military armed forces for hire. An organization which provides guard or protective services does not thereby become a "quasi-military armed forces", even if the individual guards are armed, and even though the organization may also be engaged in the business or providing general investigative or "detective" services.

7604. CRITERIA FOR RECOGNIZING "PERSONAL" OR "NONPERSONAL" SERVICES

1. There are no definitive rules for characterizing particular services as "personal" or "nonpersonal." There are many factors involved, all of which are not of equal importance. The characterization of services in a particular case cannot be made by simply counting factors, but can only be the result of a balancing of all the factors per their relative importance. The following factors shall be considered, as well as any others which are relevant:

a. The nature of the work:

- (i) to what extent can the Government obtain civil servants to do the job, can or whether the contractor has specialized knowledge or equipment which is unavailable to the Government;
- (ii) to what extent the services represent the discharge of a governmental function which calls for the exercise of personal judgment and discretion on behalf of the Government; and
- (iii) to what extent the requirement for services to be performed under the contract is continuing rather than short-term or intermittent.

b. Contractual provisions concerning the contractor's employees in considering the following, it should be noted that supervision and control of the contractor or the employees, if present in a sufficient degree, may alone render the services personal in nature:

- (i) to what extent the Government specifies the qualifications of, or reserves the right to approve, individual contractor employees (but granting or denying security clearance and providing for necessary health qualifications are always permissible controls over contractor employees; also, it is permissible to some extent to specify in the contract the technical and experience qualifications of contractor employees, if this is necessary to assure satisfactory performance);
 - (ii) to what extent the Government reserves the right to assign tasks to and prepare work schedules for contractor employees during performance of the contract;
 - (iii) to what extent the Government retains the right (whether actually exercised or not) to supervise the work of the contractor employees, either directly or indirectly; to what extent the Government reserves the right to supervise or control the method in which the contractor performs the service, the number of people the specific duties of individual employees, and similar details (however, it is always permissible to provide in the contract that the contractor's employees must comply with regulations for the protection of life and property, also, it is permissible to specify a recommended, or occasionally even a minimum, number of people the contractor must employ, if this is necessary to assure performance but in that event it would be made clear in the contract that this does not in any way minimize the contractor's obligation to use as many employees as are necessary for proper contract performance);
 - (iv) to what extent the Government will review performance by each individual contractor employee, as opposed to reviewing a final product on an overall basis after completion of the work; to what extent the Government retains the right to have contractor employees removed from the job for reasons other than misconduct or security;
- c. Other provisions of the contract:
- (i) whether the services can properly be defined as an end product;
 - (ii) whether the contractor undertakes a specific task or project that is definable either at the inception of the contract or at some point during performance, or whether the work is defined on a day-to-day basis;

- (iii) whether payment will be for results accomplished or solely according to time worked; and
- (iv) to what extent the Government is to furnish the office or working space, facilities, equipment, and supplies necessary for contract performance.

d. Administration of the Contract:

- (i) to what extent the contractor employees are used interchangeable with Government personnel to perform the same functions;
- (ii) to what extent the contractor employees are integrated into the Government's organizational structure; and
- (iii) to what extent any of the elements in paragraphs (b) and (c), preceding are present in the administration of the contract, regardless of whether they are provided for by the terms of the contract.

2. The following examples of "personal" and "nonpersonal" services listed below are for illustrative purposes only and are not to be used as the basis for a determination in any specific case.

a. PERSONAL. The following are examples of personal service contracts:

- (i) contract for the furnishing of ordinary, day-to-day stenographic and secretarial services in a Government office under Government supervision exercised either directly or through a contractor supervisor, even if only for a peak work period of 2 weeks;
- (ii) contract for preparation of a staff type report on the operation of a particular Government office or installation, where no specialized skills are required and the report would ordinarily be prepared by the regular officers or employees of the office or installation even if there is to be no Government supervision and even if payment is to be for an "end product" report;
- (iii) contract for the furnishing of persons to perform the various day-to-day functions of contract administration for a Government agency, even if there is no Government supervision.

b. NONPERSONAL. The following are examples of nonpersonal contracts:

- (i) contract for field engineering work requiring specialized equipment and trained personnel unavailable to the Government but not involving the exercise of discretion on behalf of the Government, where the contractor performs work adequately described in the contract free of Government supervision;
- (ii) contract with an individual for delivery of lectures without Government supervision, at specific places, on specific dates, and on a specialized subject, even if payment is by the hour;
- (iii) contract for janitorial services, where the contract provides for specific tasks to be performed in specific places, free of Government direction, supervision, and control over the contractor's employees at a fixed price for the work to be performed.

MARINE CORPS PURCHASING PROCEDURES MANUAL

CHAPTER 7

MISCELLANEOUS INSTRUCTIONS FOR PURCHASING

SECTION 7: MISCELLANEOUS CONTRACT CLAUSES

7700. DISPUTES. The "Disputes" clause shall be incorporated by reference or set forth in its full text in all purchase orders and BPA's, regardless of monetary amount. Accordingly, one of the following formats will be used in the purchase instrument:

"The following Federal Acquisition Regulation clause is hereby incorporated by reference in this solicitation/contract with the same force and effect as if set forth in full text:

FAR 52.233-1 Disputes (Apr 1984)

The complete text of the above clause is available from the contracting office placing the solicitation/contract and will be furnished upon request."

OR

DISPUTES (APRIL 1984)

(a) This contract is subject to the Contract Disputes Act of 1978 (41 U.S.C. 601-613) (the Act).

(b) Except as provided in the Act, all disputes arising under or relating to this contract shall be resolved per this clause.

(c) "Claim," as used in this clause, means a written demand or a written assertion by one of the contracting parties seeking, as a matter of right, the payment of money in a sum certain, the adjustment or interpretation of contract terms, or other relief arising under or relating to this contract. A claim arising under a contract, unlike a claim relating to that contract, is a claim that can be resolved under a contract clause that provides for the relief sought by the claimant. However, a written demand or written assertion by the Contractor seeking the payment of money exceeding \$50,000 is not a claim under the Act until certified as required by subparagraph (d)(2) below. A voucher, invoice, or other routine request for payment that is not in dispute when submitted is not a claim under the Act. The submission may be converted to a claim under the Act, by complying with the submission and certification requirements of this clause, if it is disputed either as to liability or amount or is not acted upon in a reasonable time.

(d)

(1) A claim by the Contractor shall be made in writing and submitted to the Contracting Officer for a written decision. A

claim by the Government against the Contractor shall be subject to a written decision by the Contracting Officer.

(2) For Contractor claims exceeding \$50,000, the Contractor shall submit with the claim a certification that-

- (i) The claim is made in good faith;
 - (ii) Supporting data are accurate and complete to the best of the Contractor's knowledge and belief; and
 - (iii) The amount requested accurately reflects the contract adjustment for which the Contractor believes the Government is liable.
- (3)
- (i) If the Contractor is an individual, the certification shall be executed by that individual.
 - (ii) If the Contractor is not an individual, the certification shall be executed by-
 - (A) A senior company official in charge at the Contractor's plant or location involved; or
 - (B) An officer or general partner of the Contractor having overall responsibility for the conduct of the Contractor's affairs.

(e) For Contractor claims of \$50,000 or less, the Contracting Officer must, if requested in writing by the Contractor, render a decision within 60 days of the request. For Contractor-certified claims over \$50,000, the Contracting Officer must, within 60 days, decide the claim or notify the Contractor of the date by which the decision will be made.

(f) The Contracting Officer's decision shall be final unless the Contractor appeals or files a suit as provided in the Act.

(g) The Government shall pay interest on the amount found due and unpaid from (1) the date the Contracting Officer receives the claim (properly certified if required), or (2) the date payment otherwise would be due, if that date is later, until the date of payment. Simple interest on claims shall be paid at the rate, fixed by the Secretary of the Treasury as provided in the Act, which is applicable to the period during which the Contracting Officer receives the claim and then at the rate applicable for each 6-month period as fixed by the Treasury Secretary during the pendency of the claim.

(h) The Contractor shall proceed diligently with performance of this contract, pending final resolution of any

request for relief, claim, appeal, or action arising under the contract, and comply with any decision of the Contracting Officer.

(End of Clause)

(R 7-103.12 1980 JUN)

(R FPR Temporary Regulation 55-II 1980 JUN)

Alternate I (APR 1984). If it is determined under agency procedures, that continued performance is necessary pending resolution of any claim arising under or relating to the contract, substitute the following paragraph (h) for the paragraph (h) of or the basic clause:

(h) The Contractor shall proceed diligently with performance of this contract, pending final resolution of any request for relief, claim, appeal, or action arising under or related to the contract, and comply with any decision of the Contracting Officer.

7701. AFFIRMATIVE ACTION FOR HANDICAPPED WORKERS. This clause shall be incorporated by reference or set forth in full text in all purchase orders and BPA's where the aggregate amount of the order or orders will exceed \$2,500. Accordingly, one of the following formats will be used in the purchasing instrument:

"The following Federal Acquisition Regulation clause is hereby incorporated by reference in this Solicitation/contract with the same force and effect as if set forth in full text:

FAR 52.222-36 Affirmative Action for Handicapped Workers (APR 1984)

The complete text of the above clause is available from the purchasing office placing this solicitation/contract and will be furnished upon request."

OR

AFFIRMATIVE ACTION FOR HANDICAPPED WORKERS (APR 1984)

(a) General. (1) Regarding any position for which the employee or applicant for employment is qualified, the Contractor shall not discriminate against any employee or applicant because of physical or mental handicap. The Contractor agrees to take affirmative action to employ, advance in employment, and

otherwise treat qualified handicapped individuals without discrimination based upon their physical or mental handicap in all employment practices such as:

- (i) Employment;
- (ii) Upgrading;
- (iii) Demotion or transfer;
- (iv) Recruitment;
- (v) Advertising;
- (vi) Layoff or termination;
- (vii) Rates of pay or other forms of compensation; and
- (viii) Selection for training, including apprenticeship.

(2) The Contractor agrees to comply with the rules and regulations, and relevant orders of the Secretary of Labor (Secretary) issued under the Rehabilitation Act of 1973 (the Act), as amended.

(b) Postings. (1) The Contractor agrees to post employment notices stating (i) the Contractor's obligation under the law to take affirmative action to employ and advance in employment qualified handicapped individuals and (ii) the rights of applicants and employees.

(2) The notices shall be posted in conspicuous places that are available to employees and applicants for employment. They shall be in a form prescribed by the Director, Office of Federal Contract Compliance Programs, Department of Labor (Director), and provided by or through the Contracting Officer.

(3) The Contractor shall notify each labor union or representative of workers with which it has a collective bargaining agreement or other contract understanding, that the Contractor is bound by the terms of Section 503 of the Act and is committed to take affirmative action to employ, and advance in employment, qualified physically and mentally handicapped individuals.

(c) Noncompliance. If the Contractor does not comply with the requirements of this clause, appropriate actions may be taken under the rules, regulations, and relevant orders of the Secretary issued pursuant to the act.

(d) Subcontracts. The Contractor shall include the terms of this clause in every subcontract or purchase order in excess of \$2,500 unless exempted by rules, regulations or orders of

the Secretary. The Contractor shall act as specified by the Director to enforce the terms, including action for noncompliance.

Alternate I (APR 1984). As prescribed in 22.1408(b), when the agency head waives one or more (but not all) of the terms of the clause per 22.1403(a) or 22.1403(b), add the following as a preamble to the clause:

Notice: the following term(s) of this clause are waived for this contract: [List term(s)].

7702. CONTACT WORK HOURS AND SAFETY STANDARD ACT - OVERTIME COMPENSATION. This clause shall be incorporated by reference or set forth in its full text in all purchase orders and BPA's where the aggregate amount of the order or orders will exceed \$2,500. Accordingly, one of the following formats will be used in the purchase instrument:

"The following Federal Acquisition Regulation clause is hereby incorporated by reference in this solicitation/contract with the same force and effect as if set forth in full text:

FAR 52.222-4 Contract Work Hours and Safety Standards Act--Overtime Compensation (MAR 1986)

The complete text of the above clause is available from the purchasing office placing this solicitation/contract and will be furnished upon request."

OR

CONTRACT WORK HOURS AND SAFETY STANDARDS ACT--OVERTIME COMPENSATION (MAR 1986)

(a) Overtime requirements. No Contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics (see Federal Acquisition Regulation (FAR) 22.300) shall require or permit any such laborers or mechanics in any workweek unless such laborer or mechanic receives compensation at a rate not less than 1 1/2 times the basic rate of pay for all hours worked in excess of 40 hours in such workweek.

(b) Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the provisions set forth in paragraph (a) of this clause, the Contractor and any subcontractor responsible therefor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or

mechanic employed in violation of the provisions set forth in paragraph (a) of this clause in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of 40 hours without payment of the overtime wages required by provision set forth in paragraph (a) of this clause.

(c) Withholding for unpaid wages and liquidated damages. The Contracting Officer shall upon his or her own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the Contractor or subcontractor under any such contract or any other Federally-assisted contract subject to the Contract Work Hour and Safety Standards Act which is held by the same Prime Contractor, such sums as may be determined to be necessary to satisfy any liabilities of such Contractor or subcontractor for unpaid wages and liquidated damages as provided in the provisions set forth in paragraph (b) of this clause.

(d) Payrolls and basic records.

(1) The Contractor or subcontractor shall maintain payrolls and basic payroll records during the course of contracting work and shall preserve them for a period of 3 years from the completion of the contract for all laborers and mechanics working on the contract. Such records shall contain the name and address of each such employee, social security number, correct classifications, hourly rates of wages paid, daily and weekly number of hours worked, deductions made, and actual wages paid. Nothing in this paragraph shall require the duplication of records required to be maintained for construction work by Department of Labor regulation at 29 CFR 5.5(a)(3) implementing the Davis-Bacon Act.

(2) The records to be maintained under paragraph (d)(1) of this clause shall be made available by the Contractor or subcontractor for inspection, copying, or transcription by authorized representatives of the Contracting Officer or the Department of Labor. The Contractor or subcontractor shall permit such representatives to interview employees during working hours on the job.

(e) Subcontracts. The Contractor or subcontractor shall insert in any subcontracts the provisions set forth in paragraphs (a) through (e) of this clause and also a clause requiring the subcontractors to include these provisions in any lower tier subcontracts. The Prime Contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the provisions set forth in paragraphs (a) through (e) of this clause.

(End of Clause)

7703. EQUAL OPPORTUNITY. This clause shall be incorporated by reference or set forth in its full text in all blanket purchases agreements where the aggregate amount of all calls is expected to exceed \$10,000. Accordingly, one of the following formats will be used in the BPA:

The following Federal Acquisition Regulation clause is hereby incorporated by reference in this solicitation/contract with the same force and effect as it set forth in full text:

FAR 52.222-26 EQUAL OPPORTUNITY (APR 1984)

The complete text of the above clause is available from the purchasing office placing this solicitation/contract and will be furnished upon request.

OR

EQUAL OPPORTUNITY (APR 1984)

(a) If, during any 12 month period (including the 12 months preceding the award of this contract), the Contractor has been or is awarded nonexempt Federal contracts and/or subcontracts that have an aggregate value in excess of \$10,000, the Contractor shall comply with subparagraphs (b)(1) through (11) below. Upon request, the Contractor shall provide information necessary to determine the applicability of this clause.)

(b) During the performance of this contract, the Contractor agrees as follows:

(1) The Contractor shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin.

(2) The Contractor shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. This shall include, but not be limited to, (i) employment, (ii) upgrading, (iii) demotion, (iv) transfer, (v) recruitment or recruitment advertising, (vi) layoff or termination, (vii) rates of pay or other forms of compensation, and (viii) selection for training, including apprenticeship.

(3) The Contractor shall post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Contracting Officer that explains this clause.

(4) The Contractor shall, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive

consideration for employment without regard to race, color, religion, sex, or national origin.

(5) The Contractor shall send, to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, the notice to be provided by the Contracting Officer, advising the labor union or worker's representative of the Contractor's commitments under this clause, and post copies of the notice in conspicuous places available to employees and applicants for employment.

(6) The Contractor shall comply with Executive Order 11246, as amended, and the rules, regulations, and orders of the Secretary of Labor.

(7) The Contractor shall furnish to the contracting agency all information required by Executive Order 11246 as amended, and by the rules, regulations, and orders of the Secretary of Labor. Standard Form 100 (EEO-1), or any successor form, is the prescribed form to be filed within 30 days following the award, unless filed within 12 months preceding the date of award.

(8) The Contractor shall permit access to its books, records, and accounts by the contracting agency or the Office of Federal Contract Compliance Programs (OFCCP) for the purposes of investigation to ascertain the Contractor's compliance with the applicable rules, regulations, and orders.

(9) If the OFCCP determines that the Contractor is not in compliance with this clause or any rule, regulation, or order of the Secretary of Labor, this contract may be canceled, terminated, or suspended in whole or in part and the Contractor may be declared ineligible for further Government contracts, under the procedures authorized in Executive Order 11246, as amended. In addition, sanctions may be imposed and remedies invoked against the Contractor as provided in Executive Order 11246, as amended, the rules, regulations, and orders of the Secretary of Labor, or as otherwise provided by law.

(10) The Contractor shall include the terms and conditions of subparagraph (b)(1) through (11) of this clause in every subcontract or purchase order that is not exempted by the rules, regulations, or orders of the Secretary of Labor issued under Executive Order 11246, as amended, so that these terms and conditions will be binding upon each subcontractor or vendor.

(11) The Contractor shall take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing these terms and conditions including sanctions for noncompliance; provided, that if the Contractor becomes involved in, or is threatened with litigation with a subcontractor or vendor as a result of any direction, the

Contractor may request the United States to enter into the litigation to protect the interests of the United States.

(c) Notwithstanding any other clause in this contract, disputes relative to this clause will be governed by the procedures in 41 CFR 60-1.1.

(End of clause)

Alternate I (APR 1984). If one or more but not all, of the terms of the clause are exempt from the requirements of EO 11246 (see 22.807(a)), the contracting office shall add the following as a preamble to the clause:

Notice: The following terms of this clause are waived for this contract:[Contracting Officer shall list terms].

MARINE CORPS PURCHASING PROCEDURES MANUAL

CHAPTER 7

MISCELLANEOUS INSTRUCTIONS FOR PURCHASING

SECTION 8: PRIORITIES AND ALLOCATIONS

7800. APPLICABILITY. This section is applicable to all activities of the Marine Corps when making purchases from contractors located in the United States. Activities listed in paragraphs 2000 through 2002 will refer to the DON Priorities and Allocations Manual (DONPAM) when more detailed information is needed.

7801. BACKGROUND INFORMATION AND DEFINITIONS

1. Purpose. This section furnishes instructions to continue a minimum priorities and allocations system as a mobilization preparedness measure and to provide identification and timely performance on Defense orders in a fluctuating economy.

2. Information

a. The Office of Emergency Planning (OEP) has directed that a minimum priorities and allocations system be kept to assure timely deliveries in any emergency and to achieve a continuing state of industrial readiness for effective mobilization. This requires the retention of a nucleus of adequately trained priorities and Defense Materials System (DMS) personnel in DoD contracting offices.

b. The DON PAM has been issued by the DON for use by all elements of the DON receiving allocations of controlled materials and is to be used in preference to the DoD Priorities and Allocations Manual.

3. Definitions

a. Priorities and Allocations. A term used to describe the broad area of material controls, including priority ratings, materials distribution systems, and any other control procedures which may, at various times, be considered necessary by the civilian control agencies.

b. DO Rating. A symbol assigned to a purchase order or contract as a means of obtaining preferential treatment over civilian business. A DX rating takes precedence over both unrated and DO rated orders.

c. Controlled Materials. Carbon steel, alloy steel, stainless steel, copper, aluminum, and nickel alloys in the standard mill forms and shapes, such as sheet, strip, plate, wire, and bar.

d. Authorized Controlled Materials Order (ACMO). An order for controlled materials bearing a program symbol and quarterly identification, as well as the proper certification.

e. Rated Order. An order bearing an authorized rating and the proper certification.

f. Class B Products. Class B products are officially defined as being those products which contain controlled materials and are listed in the Bureau of Domestic Commerce (BDC) Official Class B Products List. They are usually products or components specifically designed for military usage and which have little or no commercial application.

g. Class A Products. Class A products are officially defined as products containing controlled materials which are not in the BDC Official Class B Products List. They are usually products or components specifically designed for military use and which have little or no commercial application. Construction projects and research and development are also considered to be Class A products.

h. Allocation. Allocation is that part of the process of distributing authority to use controlled materials from OEP to the Assistant Secretary of Defense (ASD/P&L), military departments, and operating elements.

i. Allotting Agency. DoD, Nuclear Regulatory Commission, BDC, or any Government agency or subdivision thereof designated as such by OEP.

j. Allotment. The authority issued to contractors to buy controlled materials within specified limits.

7802. DELEGATION OF AUTHORITY. All contracting and ordering officers of the Marine Corps are hereby delegated the authority to apply DO ratings and allotment numbers to contracts, purchase orders, and delivery orders per this chapter.

7803. DO RATINGS

1. When To Use DO Ratings. DO ratings shall be used on all purchase orders and contracts issued by contracting activities of the DoD, with certain exceptions which are discussed in paragraph 7803.2.

2. When Not to Use DO Ratings. DO ratings will not be used for the following:

a. Direct purchase of controlled materials. For procedures on buying controlled materials, see paragraph 7804.

b. Contracts for services, such as utilities and transportation.

c. Items requisitioned from the GSA.

d. Items purchased from exclusive retail establishments.

e. Items specifically excluded by BDC regulations. The principal items of interest are the following:

(1) Commercial fertilizer.

(2) Food, Tobacco, and ice.

(3) Self-service stores.

(4) Petroleum.

(5) Solid fuels.

(6) Stone, gravel, and sand.

Rating need not be used on orders under \$2,500. However, they should be used wherever they will help to obtain the required delivery.

3. How to use DO Ratings

a. A contract or order is rated by placing on the contract or order the required delivery dates plus the specific rating and a signed certification.

b. The rating consists of the symbol DO plus the appropriate program identification. (See paragraph 7803.4 for explanation of programs.)

c. The proper certification to be used is: "Certified for National Defense--Use Under DMS Regulation 1." In addition to this certification, each order must include the following contract clause of FAR 52.212-8:

Defense Priority and Allocation Requirements (May 1986)

This is a rated order certified for national defense use and the Contractor shall follow all the requirements of the Defense Priorities and Allocations System regulation (15 CFR 350)

4. Program Identification Symbols

a. The following is a summary listing of those programs which are most likely to be pertinent to field activities of the Marine Corps:

<u>Code</u>	<u>Program Title</u>
A-1A	Airframes and Related Assemblies and Spares
A-1B	Aircraft Engines and Related Spares and Parts
A-1C	Other Aircraft Equipment and Supplies Not Included in A-1A and A-1B
A-2	Missile and Space Systems
A-3	Ships
A-4A	Combat Vehicles
A-4B	Noncombat Vehicles
A-5	Weapons
A-6	Ammunition
A-7	Electronics and Communications Equipment
A-8A	Petroleum
A-8B	Other Fuels and Lubricants
A-8C	Separately Procured Containers and Handling Equipment
A-9	Textiles, Clothing, and Equipage
B-1	Building Supplies
B-2	Subsistence
B-3	Transportation Equipment (Railway)
B-9	Production Equipment
C-2	Construction
7-50	
Ch 2	

<u>Code</u>	<u>Program Title</u>
C-9A	Construction Equipment
C-9B	Medical and Dental Supplies and Equipment
C-9C	Photographic Equipment and Supplies
C-9D	Materials Handling Equipment
C-9E	All others not identifiable to any other Procurement Plan
S-1	Services

The former Program C-3 (Maintenance, Repair, and Operating Supplies) has been discontinued. All items formerly shown under that program are to be included in Program C-9E.

b. Materials and parts purchased for repair purposes are to be identified in the program which includes the end item if the use is known at the time of purchase.

7804. DEFENSE MATERIALS SYSTEM (DMS)

1. DMS Procedures for Purchasing Controlled Materials. Orders for controlled materials shall contain the program symbol plus an abbreviation of the calendar quarter in which the delivery is required; e.g., A4-4Q80. The order must also bear the following certification: "Certified for National Defense--Use Under DMS Regulation." Each order must also contain the contract clause of FAR 52-212-B. (See paragraph 7803.3c.)

a. Each order or contract must also bear a required delivery date or dates.

b. The steps in the preceding are necessary to make an order an ACMO. For each ACMO that exceeds the small order procedure, the cognizant contracting office must deduct from its allotment accounts the amount of materials covered by the order. Activities that do not receive allocation of controlled materials shall have the appropriate Marine Corps logistics bases certify as an ACMO any purchases of controlled materials that exceed the small order procedure. The purchases shall be charged against the logistics bases' allocation.

2. Small Order Procedure for Controlled Materials. Individual ACMO's are placed without charge to allotment accounts when the order does not exceed \$2,500 or the amount of any kind of controlled material included in the order does not exceed the following limits:

Carbon steel	10 tons
--------------	---------

Alloy steel	1 ton
Stainless steel	1-ton
Copper and copper-base alloy brass mill products, copper wire mill products, copper and copper-base alloy foundry products, and powder	
Aluminum	1-ton
Nickel alloys	1-ton

7805. REQUIREMENTS. Requirements for controlled materials will be estimated and reported by Headquarters Marine Corps. Under the present circumstances, field activities will not be required to submit quarterly reports of estimated requirements. In the event of national emergency, it may be necessary to reinstitute quarterly reporting of estimated requirements by those activities receiving allocations of controlled materials. Separate instructions will be furnished at that time.

7806. SPECIAL ASSISTANCE

1. When to Request. When normal use of the rating system will not obtain timely delivery of urgently required material, special assistance should be requested.

2. Procedure. Requests for special assistance should be submitted on BDSAF Form 138. The DCMC offices will normally be able to supply limited quantities of these forms. The headings for the various items on the form are, for the most part, self-explanatory. Care should be taken to provide as complete information as possible. The information for item 7 of the form should be obtained, if possible, from the manufacturer of the bottleneck item/component to facilitate Department of Commerce action on the case. Forward completed forms to the CMC (LBO).

CHAPTER 7

MISCELLANEOUS INSTRUCTIONS FOR PURCHASING

SECTION 9: PROTEST BEFORE/AFTER AWARD AND CONGRESSIONAL
INQUIRIES

7900. INSTRUCTIONS FOR HANDLING PROTESTS BEFORE AWARD. Protests received from contractors before award of a contract will be handled per the FAR 33.104-6. Contracting officers may require that written confirmation of an oral protest be submitted by a specified time and shall inform the protester that award will be withheld until the specified time.

7901. INSTRUCTIONS FOR HANDLING PROTESTS AFTER AWARD

1. Protests addressed only to the purchasing and contracting activity will be answered by the activity. In such cases, the field contracting offices should obtain the views of the CMC (LBO) and Counsel for the Commandant (CL) or the appropriate field office of Counsel for the Commandant whenever such action is considered desirable.
2. When action is required at a level higher than the contracting officer on a protest after award, the information set forth in paragraph 7901.3 will be forwarded to the CMC (LBO) as promptly as possible.
3. When a field contracting activity is notified by the CMC that a protest has been lodged with the Comptroller General (General Accounting Office (GAO)), the activity will be required to furnish specific information pertinent to the particular purchase. Such information will be submitted in the following format as promptly as practicable to the office which forwarded notice of the protest:
 - a. Chronological statement of facts.
 - b. Discussion of the facts.
 - c. Conclusion.
 - d. Recommendations.
 - e. Documentation, including as a minimum:
 - (1) A copy of the IFB or request for proposals or quotations.
 - (2) Specifications and/or drawings.
 - f. Legal points and authorities provided by local counsel.

- (3) Copy of abstract of bids.
- (4) Copies of correspondence with the supplier, bidder, quoter, inspector, and the requiring activity.
- (5) Transcripts or memorandums of pertinent telephone conversations.
- (6) A copy of the applicable purchase document.
- (7) Any other pertinent correspondence or information determined by the contracting officer to have a significant bearing on the protest.

7902. CONGRESSIONAL INQUIRIES

1. Reply by Field Activity. Congressional inquiries or requests for information addressed to a regional contracting activity will be answered by the regional contracting activity, except under the circumstances described in paragraphs 7902.2 and 7902.3.

2. Release of Purchase Information. If the information requested cannot be released because of prohibitions or exemptions contained in the FAR 24.202-6, the inquiry shall be referred to the CMC (L) for reply to the member of Congress or further referral to the Secretary of the Navy. In such a case, the contracting activity will inform the member of Congress of the referral. In questionable cases, the contracting activity will obtain telephonic or written advice from the CMC (LBO). Local counsel should also be consulted.

3. Inquiries Involving Protests, Appeals, or Claims. If it is known to the contracting activity that a protest, appeal, or claim has been lodged by a contractor, the contracting activity shall not reply to the substance of the congressional inquiry but, within 5 working days after receipt, will refer the inquiry to the CMC (L) for reply to the member of Congress. The contracting activity will inform the member of Congress of the referral and will include the applicable documentation as set forth in paragraph 7901.3 with the letter of referral to the CMC.

MARINE CORPS PURCHASING PROCEDURES MANUAL

CHAPTER 8

FOREIGN PURCHASES

	<u>PARAGRAPH</u>	<u>PAGE</u>
SCOPE	8000	8-3
SECTION 1: FOREIGN MADE ITEMS		
INFORMATION	8100	8-5
COMMISSARY STORE SUBSISTENCE ITEMS	8101	8-8
SECTION 2: PURCHASING IN FOREIGN COUNTRIES		
INFORMATION	8200	8-9
BACKGROUND	8201	8-9
ACTION	8202	8-9
PURCHASING KIT	8203	8-10
METHODS AND PROCEDURES TO BE UTILIZED IN PURCHASING SUPPLIES, EQUIPMENT, AND SERVICES	8204	8-11
PRELIMINARY PURCHASE ACTION	8205	8-11
IMPREST FUND	8206	8-11
PURCHASE ORDERS	8207	8-11
PURCHASES FROM CERTAIN COMMUNIST AREAS . . .	8208	8-12
FOREIGN TAX CLAUSES	8209	8-13
BLANKET PURCHASE AGREEMENTS	8210	8-17
PAYMENT PROCEDURES	8211	8-17

MARINE CORPS PURCHASING PROCEDURES MANUAL

CHAPTER 8

FOREIGN PURCHASES

8000 SCOPE. This chapter includes restrictions and procedures affecting acquisitions of foreign-made items and restrictions on purchases from Communist countries or areas.

MARINE CORPS PURCHASING PROCEDURES MANUAL

CHAPTER 8

FOREIGN PURCHASES

SECTION 1: FOREIGN-MADE ITEMS

8100. INFORMATION

1. Those activities listed in paragraphs 2000 and 2001 are authorized to make determinations as set forth in the DFAR 25-1. Unless precluded by an emergency, this determination should be reviewed by appropriate legal counsel as set forth in paragraph 2309. Except as provided in paragraph 8101 and section 2 of this chapter, no authority exists for the purchasing of foreign source items, including foreign source items listed on FSS contracts with multiple sources, by the activities listed in paragraphs 2002 and 2003, without prior approval of purchase by the CMC. Activities requiring foreign source items must submit full justification for the requirement to the CMC (LB), together with a detailed determination, as outlined in paragraphs 8100.2 through 5, as to why a domestic source item will not suffice. Foreign source items may be purchased only under the following circumstances:

a. Supplies are for use outside the United States. (See section 2 of this chapter.)

b. Nonavailability in the United States. Articles, materials, or supplies of a class or kind which the Government has determined are not mined, produced, or manufactured in the United States in sufficient and reasonably available commercial quantities and of a satisfactory quality.

c. Unreasonable cost or inconsistency with the public interest. The restrictions do not apply when it is determined by the CMC that the cost of a domestic source end product would be unreasonable or that its acquisition would be inconsistent with the public interest.

d. When the foreign source item(s) required is purchased from a mandatory FSS which does not include any domestic source for that item(s), or when the mandatory FSS indicates that the Buy American Act has been applied by the GSA, approval by the CMC (LBO) is not required. The contract file shall be documented to show that the item(s) is a single-source FSS item(s).

2. Scrap which is generated, collected, and prepared for processing in the United States shall be considered as that of domestic origin.

3. Pursuant to the requirements set forth in paragraph 8100.1 and the FAR 6-302.1, all requests for approval of contractual

actions involving exceptions to the Buy American Act under "nonavailability" in the United States must be supported by a written justification.

4. The following are required to be submitted on all requests for approval under "nonavailability" in the United States:

a. A written justification from the requiring activity substantiating the facts upon which to base the findings.

b. A D&F of nonavailability by the contracting/purchasing officer. The findings shall include:

(1) Identification of the item to be purchased (unit of issue, quantity, and estimated delivery cost, to include transportation costs if f.o.b. is other than destination) and source country.

(2) Identification of the requiring activity and the intended use of the item.

(3) A statement of facts establishing the salient features of the foreign item(s) which are not available on domestic items and a determination of nonavailability in the United States.

(4) Findings as to why the requiring activity cannot forego the requirement.

NOTE: The determination of nonavailability is basically factual--it is either available in the United States or it is not. However, the determination that the requirement cannot be foregone is judgmental. Therefore, this determination requires the most thought by the preparer. It cannot be satisfied by citing one or all of the item's unique features. This determination has to be made in terms of the impact on the requiring activity; i.e., will its ability to perform its mission be hindered? How? Basically, why cannot the activity do without the item?

(5) Finding that there is no United States substitute for the item.

NOTE: While somewhat a factual determination, this one is also judgmental. However, if the identification of the item and the reasons why it cannot be foregone are clearly stated, the determination that there is no United States substitute should not require much additional effort.

- c. The determination shall be substantially as follows:

Determination of Nonavailability of Supplies

Based on the foregoing, it is hereby determined that the required (insert nomenclature of item) is of a class or kind not mined, produced, or manufactured in the United States in sufficient and reasonably available commercial quantities and of a satisfactory quality and that it is not feasible to forego the requirement or provide a United States substitute.

It is requested that approval be granted to procure the above-mentioned item of foreign origin on the basis that such item is exempted from the restrictions of the "Buy American Act, 41 U.S.C. 10a-d."

Contracting/Purchasing Officer

5. Pursuant to the requirements set forth in paragraph 8100.1, all requests for approval of contractual action involving exception to the Buy American Act under "Unreasonable Cost or Inconsistency with the Public Interest" must be supported by a D&F.

6. The following are required to be submitted on all requests for approval under "Unreasonable Cost or Inconsistency with the Public Interest" in the United States, utilizing the format set forth in paragraph 8100.6a:

a. A D&F of "Unreasonable Cost or Inconsistency with the Public Interest" by the purchasing officer. The findings shall include:

- (1) A description of the item or items being purchased.
- (2) The unit.
- (3) The quantity.
- (4) Applicable duty (notwithstanding duty free entry certificate).
- (5) The quoted cost of the foreign item, to include transportation costs if f.o.b. is other than destination.
- (6) Whether duty is included in this quotation.
- (7) Lowest quoted delivery cost of domestic item.
- (8) A written statement of facts upon which the determination is based, establishing the necessity for the purchase.

- b. The determination shall be substantial as follows:

Determination of Unreasonable Cost or Inconsistency with
Public Interest

Based on the foregoing, it is hereby determined that the cost of the required (insert nomenclature of item) of a domestic source would be unreasonable or that its acquisition would be inconsistent with the public interest and that it is not feasible to forego the requirement. It is requested, therefore, that approval be granted to purchase the above-mentioned item of foreign origin on the basis that such item is excepted from the restrictions of the Buy American Act, 41 U.S.C. 10a-d.

8101. COMMISSARY STORE SUBSISTENCE ITEMS

1. Brand name subsistence items and fresh fruits and vegetables of foreign origin may be purchased for resale in domestic commissaries without obtaining the approval of the CMC.
2. The commissary officer is responsible for the exercise of judgment as to whether domestic items which may be available on the United States market are acceptable substitutes for brand name subsistence items of foreign origin.
3. All purchases of such brand name subsistence items of foreign origin shall be made from domestic concerns.
4. Nonbrand name subsistence items of foreign origin and nonsubsistence items of foreign origin purchased for resale in domestic commissaries are subject to approval per paragraph 8100.4.

MARINE CORPS PURCHASING PROCEDURES MANUAL

CHAPTER 8

FOREIGN PURCHASES

SECTION 2: PURCHASING IN FOREIGN COUNTRIES

8200. INFORMATION. Marine Corps purchasing officers serving with Marine units in foreign countries will be governed by the provisions of this section when purchasing supplies and services locally and leasing real property with appropriated funds.

8201. BACKGROUND

1. The responsibility for the purchase of locally available supplies and the leasing of real property in foreign countries is assumed by the senior Armed Forces commander present. By joint area services agreement, all other Armed Forces in the area are normally required to submit requirements for locally available supplies, services, or facilities to a central purchasing agency for purchasing action. However, in those areas where no locally established supply channels exist for local purchase, the purchasing officer may be required to initiate action to purchase certain locally available, common use-type items, services, or facilities for the accomplishment of the unit's mission. The methods and procedures to be utilized in fulfilling these requirements, until such time as support is available through locally established supply channels or as directed by higher authority, are contained herein.

2. DoD and Marine Corps regulations require that, prior to negotiating purchases in friendly foreign countries in excess of \$2,500 (American money) for a single transaction, the activity must obtain the following approval:

a. The commanding officer will obtain authority from the CMC (LBO) to establish a purchasing office within the unit.

b. The commanding officer will nominate an individual by name (normally the supply officer) to the CMC (LBO) as contracting officer. The CMC will appoint the individual.

c. The commanding officer will obtain the CMC (LB) approval to establish an imprest fund in an amount up to \$5,000 and will nominate an individual as the imprest fund cashier.

d. The commanding officer will coordinate with CMC (LB) regarding authority to negotiate leases for real property.

8202. ACTION. Upon receipt of a warning notice to deploy, the supply officer of the activity should advise the commanding

officer to send a message to the CMC (LBO) requesting the approval as set forth in paragraph 8201.2 (See appendix A for message format.)

8203. PURCHASING KIT. Upon receipt of a warning notice to deploy, the unit supply officer of the activity shall obtain a "purchasing kit" from one of the established field contracting and purchasing offices listed in paragraph 8203.1. The field contracting and purchasing office shall provide a block of formal contract numbers to be utilized, if required, in negotiating foreign purchases and leases.

1. The following field contracting and purchasing offices shall maintain purchasing kits for issue:

Marine Corps Base
Camp Lejeune, NC 28542

Marine Corps Base
Camp Pendleton, CA 92055

Marine Corps Procurement Office, Okinawa
Marine Corps Base
Camp Smedley D. Butler
FPO Seattle 98773

2. The appropriate field contracting and purchasing office will issue a previously assembled "purchasing kit." This kit shall consist of a copy of this Manual, one rubber stamp "Receipt for Cash," and the following quantities of blank forms:

<u>Form</u>	<u>Quantity</u>
a. SF-18	350 each
b. SF 26	100 each
c. SF 30	200 each
d. SF 36	200 sets
e. NavCompt 2277	100 sets
f. SF 1129	50 sets
g. SF 1165	50 pads
h. DD Form 350	50 each
i. DD Form 1057	200 each
j. DD Form 1155	350 sets

8204. METHODS AND PROCEDURES TO BE UTILIZED IN PURCHASING
SUPPLIES, EQUIPMENT, AND SERVICES

"Purchases Outside the United States"

"Purchases and contracts may be negotiated if 'for property or services to be procured and used outside the United States, its territories, and its possessions.' The Federal Acquisition Regulation contemplates that foreign procurement should conform to the general business practices in the area where it is to be made."

8205. PRELIMINARY PURCHASE ACTION. Immediately upon arriving in the friendly country, the contracting/purchasing officer should contact the State Department official (American embassy or consulate) for assistance in establishing civilian sources of supply, obtaining services of an interpreter, and for any other assistance required in dealing with the local populace in purchasing matters. Continuous liaison should be maintained with the State Department official.

8206. IMPREST FUND. Provisions for the establishment and operation of the imprest fund are contained in chapter 6, section 1 of this Manual.

8207. PURCHASE ORDERS

1. General Information. Negotiated purchases of supplies, equipment, and nonpersonal services not in excess of the limitations as set forth in paragraphs 8207.2 and 3 may be affected by using the DD Form 1155 (Order for Supplies or Services) and its ancillary forms. (See appendix A for a sample.)

a. The contracting officer will obtain necessary competition (when practical) for purchases in excess of \$2,500. See paragraph 6004 for additional instructions.

b. Quotes may be obtained by verbal request, letter, or use of SF 18 (Request for Quotations). See appendix A for a sample.

2. Use as a Purchase Order Outside the United States, Its Possessions, and Puerto Rico. DD Forms 1155 with executed contractor's acceptance, when required, are authorized for negotiated purchases within the limits set forth in paragraph 6001.1 when such purchases are for supplies and services provisioned and used outside the United States, its possessions, and Puerto Rico, provided:

a. The purchase is unclassified.

b. No clauses covering the subject matter other than the clauses set forth in chapter 7 of this Manual are to be used. When the contract is translated into another language, the following clause shall be inserted in the schedule:

Inconsistency Between English Version and Translation of
Contract (Apr 1966)

In the event of inconsistency between any terms of this contract and any translation thereof into another language, the English language meaning shall control.
(DFARS 252.213-7000)

c. Purchases from Rhodesia and certain communist areas will be per paragraph 8208 of this chapter.

8208. PURCHASES FROM CERTAIN COMMUNIST AREAS

1. Restrictions. It is the general policy of the DoD that supplies which originated in, were located in, or were transferred from or through the communist areas of North Korea, Vietnam, or Cuba (except supplies which have been lawfully imported into the United States, its possessions, or Puerto Rico), shall not be acquired for public use, notwithstanding the provisions of any part of this paragraph and that Government contractors and subcontractors shall not acquire for use in the performance of any Government contract or subcontract thereunder any supplies or services originating from such communist areas.

2. Exceptions. Supplies originating from such communist areas may be purchased only in unusual situations; for example, in an emergency or when the supplies are not available from any other source and a substitute supply is not acceptable. For small purchases (not exceeding \$2,500), the contracting officer shall determine in writing that there is an exception and this determination shall be made part of the files. For other than small purchases, an exception shall be approved by the CMC (LB).

3. Procedures

a. With respect to contract for supplies, services, or construction when acceptance is to take place within the United States, its possessions, or Puerto Rico, the contracting officer shall assume that any supplies not produced in the United States have been lawfully imported into the United States and, consequently, that the requirements of this section have been met.

b. In all contracts for supplies, services, or construction when acceptance is to take place outside the United States, its possessions, or Puerto Rico, insert the clause in paragraph 8208.4.

4. Contract Clause. Except as provided in paragraph 8208.2, the following clause shall be included in all contracts for supplies, services, or construction when acceptance is to take place outside the United States, its possessions, and Puerto Rico:

Certain Communist Areas (April 1984)
FAR 52.225-11

- (a) Unless he first obtains the written approval of the Contracting Officer, the Contractor shall not acquire for use in the performance of the contract:
 - (i) any supplies or services originating from sources within the communist areas of North Korea, Vietnam, or Cuba;
 - (ii) any supplies, however processed, which are or were located in or transported from or through North Korea, Vietnam, or Cuba.
- (b) The Contractor agrees to insert the provisions of this clause, including this paragraph (b), in all subcontracts hereunder.

(End of Clause)

8209. FOREIGN TAX CLAUSES

1. General Information

a. Use of Clauses. Agreements have been made with various foreign countries, including, but not necessarily limited to, Australia, Bahrain, the Bahamas, Barbados, Belgium, Canada, France, Republic of Germany, Greece, Iceland, Italy, Japan, Republic of Korea, Luxembourg, the Netherlands, New Zealand, Norway, the Philippines, Portugal (including the Azores), Saudi Arabia, Spain, Thailand, Trinidad and Tobago, Turkey, and the United Kingdom (including Anegada Island, Antigua Island, Ascension Island, Bermuda, British Indian Ocean Territories (Diego Garcia), Mahe Island, and Turks and Caicos Islands), and Yugoslavia under which tax relief is provided for certain United States defense activities and expenditures. Countries which have not executed such an agreement with the United States may, nevertheless, grant relief from certain taxes or duties. Accordingly, the appropriate clause of those required by the FAR 29-402 shall be included in all contracts to be performed by contractors or by foreign governments in foreign countries.

b. Exclusion of Specific Taxes From the Contract Price. The contracting officer shall not attempt to provide to a contractor or prospective contractor information as to foreign taxes or duties normally applicable to the transaction. The contracting officer shall, however, at the time of negotiation of a contract

that is to be performed in a country or area listed in the DFARS, obtain from the appropriate designated commanding officer detailed information concerning the taxes and duties from which the Government of the United States is exempt under the provisions of applicable international agreements or foreign law. Information obtained by the contracting officer regarding exemptions shall be made available to the contractor or prospective contractor and retained as part of the contract file.

c. Tax Exemption Certificates and other Assistance. During the administration of the contract, the contracting officer shall, as appropriate, issue tax exemption certificates or use other procedures, if available, to assist the contractor in obtaining relief from foreign taxes and duties which were excluded from the contract price. If, following the appropriate clause of those contained in the FAR 29-402, the contractor notifies the contracting officer that a tax or duty has been assessed by a foreign government on the contractor under circumstances which could result in an increase in the contract price, the contracting officer shall immediately seek advice and assistance regarding the availability of tax relief from the appropriate designated commanding officer listed in the DFARS. If the tax or duty is being assessed by a foreign country or area not listed in the DFARS, the contracting officer shall seek such advice and assistance from either the appropriate unified command (see the DFARS) or the cognizant office of the appropriate military department or Defense agency (see the DFARS).

2. Contract Clauses

a. Fixed-Price Contracts, other than with Foreign Governments. Except as provided in paragraph 8109.1a, the following clause shall be included in all fixed-price contracts (other than contracts with foreign governments) to be performed wholly or partly in a foreign country, regardless of whether a tax agreement is in effect between the United States and the foreign country:

Taxes-Foreign Fixed-Price Contracts (1984 Apr)

(a) To the extent that this contract provides for furnishing of supplies or performing services outside the United States, its possessions, and Puerto Rico, this clause applies in lieu of any Federal, State, and local taxes clause of the contract.

(b) "Contract date", as used in this clause, means the date set for bid opening or, if this is a negotiated contract or a modification, the effective date of this contract or modification.

(i) "Country concerned" as used in this clause means any country, other than the United States, its possessions, and Puerto Rico, in which expenditures under this contract are made.

(ii) "Tax" and "taxes" as used in this clause, include fees and charges for doing business that are levied by the government of the country concerned or by its political subdivisions.

(iii) "All applicable taxes and duties," as used in clause, means all taxes and duties, in effect on the contract date, that the taxing authority is imposing and collecting on the transactions or property covered by this contract, pursuant to written ruling or regulation in effect on the contract date.

(iv) "After-imposed tax," as used in this clause, means any new or increased tax or duty, or tax that was exempted or excluded on the contract date but whose contract period, other than excepted tax, on the transactions or property covered by this contract that the Contractor is required to pay or bear as the result of legislative, judicial, or administrative action taking effect after the contract date.

(v) "After-relieved tax," as used in this clause, means any amount of tax or duty, other than excepted tax, that would otherwise have been payable on the transactions or property covered by this contract, but which the Contractor is not required to pay or bear, or administrative action taking effect after the contract date.

(vi) "Excepted tax," as used in this clause, means social security or other employment taxes, net income and franchise taxes, excess profit taxes, capital stock taxes, transportation taxes, unemployment compensation taxes, and property taxes. "Excepted tax" does not include gross income taxes levied on or measured by sales or receipts from sales, property taxed assessed on completed supplies covered by this contract, or any tax assessed on the Contractor's possession of, interest in, or use of property, title to which is in the U.S. Government.

(c) Unless otherwise provided in this contract, the contract price includes all applicable taxes and duties, except taxes and duties that the Government of the United States and the government of the country concerned have agreed shall not be applicable to expenditures in such country by or on behalf of the United States.

(d) The contract price shall be increased by the amount of any after-imposed tax or of any tax or duty specifically excluded from the contract price by a provision of this contract that the Contractor is required to pay or bear, including any interest or penalty, if the Contractor states in writing that the liability

for such tax, interest, or penalty was not incurred through the Contractor's fault, negligence, or failure to follow instructions the Contracting Officer or to comply with the provisions of paragraph (i) below.

(e) The contract price shall be decreased by the amount of any after-relieved tax, including any interest or penalty. The Government of the United States shall be entitled to interest received by the Contractor incident to a refund of taxes to the extent that such interest was earned after the Contractor was paid by the Government of the United States for such taxes. The Government of the United States shall be entitled to repayment of any penalty refunded to the Contractor to the extent that the penalty was paid by the Government.

(f) The contract price shall be decreased by the amount of any tax or duty, other than an excepted tax, that was included in the contract and that the Contractor is required to pay or bear, or does not obtain a refund of, through the Contractor's fault, negligence, or failure to follow instructions of the Contracting Officer or to comply with the provisions of paragraph (i) below.

(g) No adjustment shall be made in the contact price under this clause unless the amount of the adjustment exceeds \$100.

(h) If the Contractor obtains a reduction tax liability under the United States Internal Revenue Code (Title 26, U.S. Code) because of the payment of any tax or duty that either was included in the contract price or was the basis of an increase in the contract price, the amount of the reduction shall be paid or credited to the Government of the United States as the Contracting Officer directs.

(i) The Contractor shall take all reasonable action to obtain exemption from or refund of any taxes or duties, including interest or penalty, from which the United States Government, the Contractor, any subcontractor, or the transactions or property covered by this contract are exempt under the laws of the country concerned or its political subdivisions or which the governments of the United States and of the country concerned have agreed shall not be applicable to expenditures in such country by or on behalf of the United States.

(j) The Contractor shall promptly notify the Contracting Officer of all matters relating to taxes or duties that reasonably may be expected to result in either an increase or decrease in the contract price and shall take appropriate action

as the Contracting Office directs. The contract price shall be equitably adjusted to cover the costs of action taken by the Contractor at the direction of the Contracting Officer, including any interest, penalty, and reasonable attorneys' fees.

Taxes-Fixed-Priced Contracts with Foreign Governments (Apr 1984)

(a) "Contract date," as used in this clause, means the date set for bid opening or, if this is a negotiated contract or a modification, the effective date of this contract or modification.

(b) The contract price, including the prices in any sub-contracts under this contract, does not include any tax or duty that the Government of the United States and the Government of . . . [insert name of the foreign government] have agreed shall not apply to expenditures made by the United States in [insert name of the foreign country], or any tax or duty not applicable to this contract or any subcontracts under this contract, pursuant to the laws of [insert name of foreign country] . If any such tax or duty has been included in the contract price, through error or otherwise, the contract price shall be correspondingly reduced.

(c) If, after the contract date, the Government of the United States and Government of [insert name of foreign country] the contract price shall be reduced accordingly.

(d) No adjustment shall be made in the contract price under this clause unless the amount of the adjustment exceeds \$100.

(End of Clause)

b. Fixed-Price Contracts with Foreign Governments. Except as provided in paragraph 8109.1a, the following clause shall be inserted in all fixed-price contracts to be performed by foreign governments.

8210. BLANKET PURCHASE AGREEMENTS. The procedures as set forth in chapter 6, section 4, for BPA's are applicable to foreign purchases.

8211. PAYMENT PROCEDURE

1. Upon inspection and acceptance of the items or services and receipt of a vendor's invoice, the purchase document will then be processed for payment by check or cash.

2. If the purchase document does not exceed \$25,000, the DD Form 1155 may be utilized as a payment voucher (public voucher) when properly certified and supported by a vendor's invoice for making a single payment.

3. The NavCompt Form 2277 (Voucher for Disbursement and/or Collection) may be utilized in lieu of the DD Form 1155 as a payment voucher. The NavCompt 2277 will not be used to effect payment for supplies or services received, except as prescribed in this Manual.

MARINE CORPS PURCHASING PROCEDURES MANUAL

CHAPTER 9

DELIVERY ORDERS

	<u>PARAGRAPH</u>	<u>PAGE</u>
DEFINITION	9000	9-3
INFORMATION	9001	9-3
SECTION 1: PREPARATION OF DELIVERY ORDERS		
FORMS	9100	9-5
TERMS AND CONDITIONS	9101	9-5
PREPARATION OF DD FORM 1155	9102	9-5
SIGNATURE	9103	9-5
SECTION 2: DISTRIBUTION OF DELIVERY ORDERS		
DISTRIBUTION	9200	9-7
SECTION 3: PAYMENT		
INFORMATION	9300	9-9

MARINE CORPS PURCHASING PROCEDURES MANUAL

CHAPTER 9

DELIVERY ORDERS

9000. DEFINITION. A delivery order is an order placed with a commercial firm against an existing contract which has been entered into by the Marine Corps or any agency of the Government, such as GSA, etc. In addition, any order to a Government agency shall be formatted as a delivery order, except as stated herein.

9001. INFORMATION

1. Delivery orders also include orders placed with the FPI, NIB, and the GPO.

2. Military Standard Requisitioning and Issue Procedures (MILSTRIP) or other requisitions placed directly with another activity of the DoD or MILSTRIP/Federal Standard Requisitioning and Issue Procedures (FEDSTRIP) requisitions to a GSA stores stock depot are not considered to be delivery orders.

3. Work orders or job orders placed with agencies such as the Naval Facilities Engineering Command or its public work centers are not considered to be delivery orders.

4. Delivery orders may be placed without regard to monetary limitation so long as they comply with the limitations contained in the basic contract, schedule, or catalog. Those activities that derive their authority from paragraphs 2002 through 2004 may not place delivery orders beyond the monetary limit established therein.

MARINE CORPS PURCHASING PROCEDURES MANUAL

CHAPTER 9

DELIVERY ORDERS

SECTION 1: PREPARATION OF DELIVERY ORDERS

9100. FORMS. DD Form 1155 shall be used in issuing delivery orders.

9101. TERMS AND CONDITIONS. The terms and conditions governing the contractor's performance under delivery orders are spelled out in the basic contractual agreement against which the order is being placed. Accordingly, care must be exercised to ensure that any clause or stipulation placed in the body of the delivery order is not in conflict with an existing provision of the basic contract.

9102. PREPARATION OF DD FORM 1155. Delivery orders are considered obligating documents and, as such, must include all information which may be necessary to create definite obligations. The DD Form 1155 shall be filled out substantially as set forth in paragraph 6301.3 under "DO" and as follows:

1. The block entitled "Delivery Order" shall be checked to distinguish the transaction from a purchase order.
2. In block No. 1, enter the contract number against which the delivery order is being placed or reference to the schedule of prison-made products or listing of blind-made products.
3. Enter the inspection, acceptance, delivery, invoice, and payment provisions to the extent not covered in the terms and conditions of the basic contract.

9103. SIGNATURE

1. The purchasing officer may designate either commissioned officers, enlisted personnel, or civilian employees, in writing, to sign delivery orders. Personnel so designated shall sign as ordering officer, not purchasing officer or contracting officer in block #24 of the DD Form 1155.
2. The delivery order shall contain the typewritten name of the ordering officer, and the original thereof shall be manually signed. When reproducible masters are used, only the masters need be manually signed. FACSIMILE signatures may not be used. (See paragraph 6308 for the designation of originals when reproducible masters are used.)

MARINE CORPS PURCHASING PROCEDURES MANUAL

CHAPTER 9

DELIVERY OF ORDERS

SECTION 2: DISTRIBUTION OF DELIVERY ORDERS

9200. DISTRIBUTION. Distribution of delivery orders shall be the same as for purchase orders. (See paragraph 6308.)

9-7
Ch 2

MARINE CORPS PURCHASING PROCEDURES MANUAL

CHAPTER 9

DELIVERY ORDERS

SECTION 3: PAYMENT

9300. INFORMATION

1. The DD Form 1155 may be used as a public voucher without monetary limitation when it is used as a delivery order.
2. Purchases not exceeding \$500 may be made with contractors by use of the imprest fund purchase method, providing the contractor agrees with the arrangement.

MARINE CORPS PURCHASING PROCEDURES MANUAL

CHAPTER 10

PROCUREMENT INSTRUMENT IDENTIFICATION NUMBERING (PIIN) SYSTEM

	<u>PARAGRAPH</u>	<u>PAGE</u>
INFORMATION	10000	10-3
ELEMENTS OF THE PIIN	10001	10-3
SUPPLEMENTARY PIIN'S	10002	10-5
NUMBERING OF PURCHASE DOCUMENTS	10003	10-6
EXCEPTION TO PIIN SYSTEM	10004	10-6
		10-1

CHAPTER 10

PROCUREMENT INSTRUMENT IDENTIFICATION NUMBERING (PIIN) SYSTEM

10000. INFORMATION. This chapter prescribes procedures for assigning identifying numbers to all procurement documents (purchase orders, delivery orders, requests for quotation, etc.) per the FAR. Although use of the PIIN System is not made completely mandatory by the FAR, it shall be used in its entirety by all Marine Corps contracting/purchasing offices. All Marine Corps purchasing offices, including commissaries, shall use the PIIN System to the extent set forth in this chapter.

10001. ELEMENTS OF THE PIIN. The basic PIIN shall be retained for the life of the particular instrument and shall consist of 13 alpha-numeric characters positioned as follows:

1. The first shall consist of the letter "M" for Marine Corps.
2. The second through sixth positions shall consist of the five-digit unit identification number assigned to the activity by the NavCompt Manual, volume 2. Those activities having been assigned less than five-digit unit identification numbers shall place zeros before the number to fill the requirement for five digits.
3. The seventh and eighth positions shall be the last two digits of the fiscal year in which the PIIN is assigned.
4. The ninth position shall be a capital letter assigned to indicate the type of instrument code, as follows:
 - A BPA's and board and lodging agreements.
 - B IFB.
 - C Contracts, except indefinite delivery-type.
 - D Indefinite delivery-type contracts.
 - F Delivery orders placed with or through other Government departments or agencies or against contracts placed by such department or agencies; i.e., outside the DoD and including blind-made supplies.
 - G Basic ordering agreement.
 - L Lease agreements (overseas only).

M Purchase order, manual (assigned W when numbering capability of M becomes exhausted during a fiscal year). Orders against Defense Logistics Agency (DLA) supply bulletins (commissary sales). See paragraph 10001.8.

P Purchase order, automated (assign V when numbering capability of P becomes exhausted during a fiscal year).

Q Request for quotation, manual.

R Request for proposal.

T Request for quotation, automated (assign U when numbering capability of T becomes exhausted during a fiscal year).

5. The 10th through 13th positions shall be the serial number of the instrument. Separate series of serial numbers will be used as follows:

a. Codes A, F, M, and P may use the same serial number sequence.

b. Codes C, D, and L may use the same sequence.

c. Codes Q, R, and T may use the same sequence.

d. Code B must use a separate numbering sequence.

6. Each series of PIIN's for the same activity shall commence with the number 0001 at the start of each fiscal year. When more than 9,999 numbers are required, alpha-numeric numbers shall be assigned. (The letters I and O shall not be used.)

7. Major elements of the PIIN shall be separated by dashes. The following illustrates the configuration of the PIIN as described:

M00027-89-M-0123

Marine Corps_____

Identification of purchasing
office_____

Fiscal year _____

Letter assignment will be per
paragraph 1001.4_____

Serial number_____

8. Supply bulletins which are issued by the DLA as part of the DoD are not numbered in PIIN format. Therefore, the use of alpha character "M" is the designation to be utilized for orders placed against DLA supply bulletins.

10002. SUPPLEMENTARY PIIN'S

1. Uses of the Number. Supplementary numbers, used in conjunction with basic PIIN's, shall be employed to identify:

- a. Amendments to solicitation documents.
- b. Modifications of contracts, purchase orders, delivery orders against FSS, and agreements.
- c. Calls/orders under (except FSS contracts) and BPA's.

2. Amendments to Solicitation Documents. Amendments to each solicitation document shall be sequentially numbered by use of a four-position numeric serial number supplementary to the basic PIIN, commencing with 0001.

3. Modifications of Contracts, Purchase Orders, Delivery Orders Against the FSS, and Agreements. Modifications shall be numbered by use of a six-position alphanumeric number supplementary to the 13-position basic PIIN as follows:

- a. The first position shall be the capital letter "P" identifying the issuing office and the type of modification.
- b. The second through sixth positions shall be a serial number.

The first modification issued by an activity for a contract shall be numbered P00001.

4. Delivery Orders Under Indefinite Delivery-Type Contracts, Orders Under Basic Ordering Agreements, and Calls Under BPA's. Delivery orders under indefinite delivery-type contracts (orders), orders under basic ordering agreements (orders), and calls under BPA's (calls) shall be identified by a four-position alphanumeric "call/order serial number" which is supplementary to the 13-position basic PIIN.

- a. Calls/orders issued by the purchasing office identified in the basic PIIN shall be assigned numeric call/order serial numbers, beginning with 0001 through 9999.
- b. Calls/orders issued by an office other than the purchasing office identified in the basic PIIN shall be assigned alphanumeric call/order serial numbers as follows:

(1) The first and second positions shall be the alphanumeric call/order serial number assigned to the activity issuing the call/order. The letters A, I, O, and P shall not be used in the first position; however, A and P may be used in the second position.

(2) The third and fourth positions shall be a serial number assigned by the issuing activity. The first call or order issued each contract or agreement shall be numbered 01. After the serial number 99 is used, a uniform series of numeric/alpha, alpha/numeric, and finally alpha serial numbers shall be assigned as follows (the letters I and O shall not be used):

1A, 1B, and so on to 1Z then 2A, 2B,
and so on to 9A, 9B, and so on to 9Z followed by

A1, A2, and so on to A9 then B1, B2,
and so on to B9 and so on to

Z1, Z2, and so on to AZ then BA, BB,
and so on to BZ and so on to

ZA, ZB, and so on to ZZ.

c. If it is necessary to modify a call/order, a two-position alphanumeric suffix (known as the call/order modification indicator) shall be added to the supplementary PIIN as follows (the letters I and O shall not be used). Modification to a call/order--issued by the purchasing office--01, 02, and so on to 99 then B1-TZ and Z1 through ZZ.

10003. NUMBERING OF PURCHASE DOCUMENTS. Activities, such as Marine Corps districts and commands having commissaries, shall control the numbering of purchase documents within their organizations by assigning a block of numbers to each unit under their cognizance. The unit identification number assigned to the activity by the NavCompt Manual, volume 2, shall be used by all units of the command.

10004. EXCEPTION TO PIIN SYSTEM. The PIIN System is not applicable to MILSTRIP delivery orders placed with the GSA.

MARINE CORPS PURCHASING PROCEDURES MANUAL

CHAPTER 11

REPORTS

SECTION 1: INDIVIDUAL PROCUREMENT ACTION REPORT

	<u>PARAGRAPH</u>	<u>PAGE</u>
INFORMATION	11100	11-3
ACTION	11101	11-3
NUMBERING OF REPORTS	11102	11-3

SECTION 2: MONTHLY PROCUREMENT SUMMARY

SUBMISSION	11200	11-5
PREPARATION OF REPORTS	11201	11-5

MARINE CORPS PURCHASING PROCEDURES MANUAL

CHAPTER 11

REPORTS

SECTION 1: INDIVIDUAL PROCUREMENT ACTION REPORT

11100. INFORMATION. DD Form 350 (Individual Procurement Action Report) is prepared for each procurement action of \$25,000 or more. Detailed instructions for preparation of the form will be found in the DFARS part 204.6. Report Control Symbol DD-4300-01 (External RCS DD-P&L (M) 1014) has been assigned this report.

11101. ACTION. The signed original and one copy, together with a copy of the applicable contractual instrument, shall be forwarded on a daily basis to the CMC (LBO-3).

11102. NUMBERING OF REPORTS. No entry shall be made for item A2 (Report Number). Reports will be numbered consecutively by Headquarters Marine Corps. However, for the purpose of identification, field offices may elect to put their own report number at the top in the white margin.

MARINE CORPS PURCHASING PROCEDURES

CHAPTER 11

SECTION 2: MONTHLY PROCUREMENT SUMMARY

11200. SUBMISSION

1. The signed original and one copy of DD Form 1057 (Monthly Procurement Summary) shall be submitted to the CMC (LBO-3), to arrive at HQMC by the last day of the month for which the report covers; i.e., 30 June for the report covering June. The format for the report is illustrated in Appendix A. Report Control Symbol DD-4200-03 (External RCS DD-P&L (M) 1015) has been assigned to this report. Detailed instructions for the preparation of the form are covered in paragraph 11201 following. When the last day of the month falls on Saturday, Sunday, or a holiday, the report shall be mailed in time to arrive at Headquarters Marine Corps on Friday or, in the case of holidays, on the last working day before the holiday. This report is not required for those activities listed in paragraph 2003.

2. Separate reports will be submitted for field contracting offices and sales commissaries at those activities where both are located.

11201. PREPARATION OF REPORTS. Preparation of DD Form 1057 will be per DOD FAR Supplement, section 204.6-3, with the following clarifications and exceptions:

1. General Information

a. Line A1 - Month Ending. Enter the year, month, and day indicating the ending date of the month reported. Enter each segment as a 2-digit number using 01 through 12 for January through December. For example, for the month ending 30 April 1989, enter 890430.

b. Line A2 - Contracting Office and Mailing Address. Enter sufficient detail to establish the identity of the contracting office submitting the report.

c. Line A3 - Reporting Office Code. Enter the code assigned to the contracting office pursuant to Volume III of the DoD Procurement Coding Manual. This is the same code that is used for Item A3 of DD Form 350.

2. Contracting Actions. The entries for Lines B1 through B7E include new awards and modifications. For lines B3 through B6, enter the total number of actions and total dollar value of actions and also complete each subcategory shown. Actions placed with another Federal Agency or Government Corporation, including actions with Federal Prison Industries pursuant to FAR 8.6 shall be reported in Lines B2 and B2B.

a. Line B1 - Tariff or Regulated Acquisitions, Total. Enter on Line B1 the number and dollar value of actions reportable as tariff for regulated industry actions (sole source and service raters are fixed or adjusted by a Federal, State or other public regulatory body).

b. Line B2 - Contract for Foreign Government or International Organization or with a Federal Agency or Government Corporation. Enter the total number of actions and total dollar value of actions where the foreign government or international organization bears any part of the cost of the action. Report any actions placed directly with a foreign government on this line; e.g., base maintenance performed with the foreign government acting as the contractor. Report any actions placed directly with another Federal Agency or Government Corporation on this line. Also enter the total number of actions and total dollar value of actions corresponding to the following subtotals:

c. Line B2A - Actions with a Foreign Government or International Organization.

d. Line B2B - Actions with Another Federal Agency or Government Corporation.

e. Line B3 - Small Business Firms. Enter the total number of actions and total dollar value of actions which were placed with small business concerns and the place of performance was in the "United States and Outlying Areas" as defined in 204.672-4. Also enter the total number of actions and total dollar value of actions corresponding to the following subtotals:

f. Line B3A - Small Purchase Procedures.

g. Line B3B - Delivery Orders - GSA Federal Supply Schedules.

h. Line B3C - Delivery Orders - Ogler Federal Supply Schedules.

i. Line B3D - Delivery Orders - All Other.

j. Line B3E - Other Contracting Actions.

k. Line B4 - Large Business Firms. Enter the total number of actions and total dollar value of actions which were placed with large business concerns and the place of performance was in the "United States and Outlying Areas" as defined in 204.672-4. Also enter the total number of actions and total dollar value of actions corresponding to the following subtotals:

l. Line B4A - Small Purchase Procedures.

m. Line B4B - Delivery Orders - GSA Federal Supply Schedules.

n. Line B4C - Delivery Orders - Other Federal Supply schedules.

o. Line B4D - Delivery Orders - All Other.

p. Line B4E - Other Contracting Actions.

q. Line B5 - Domestic and Foreign Entities Performing Outside the "United States and Outlying Areas." Enter the total number of actions and total dollar value of actions which were placed with domestic and foreign entities and the place of performance was outside the "United States and Outlying Areas" as defined in 204.672-4. Also enter the total number of actions and total dollar value of actions corresponding to the following subtotals;

r. Line B5A - Small Purchase Procedures.

s. Line B5B - Delivery Orders - GSA Federal Supply Schedules.

t. Line B5C - Delivery Orders - Other Federal Supply Schedules.

u. Line B5D - Delivery Orders - All Other.

v. Line B5E - Other Contracting Actions.

w. Line B6 - Educational, Nonprofit and Other Entities. Enter the total number of actions and total dollar value of actions which were placed with entities not listed in Lines B1 through B5 above. Use this line to report actions with educational institutions, organizations for the blind and other severely handicapped, not-for-profit and nonprofit institutions, and actions where the place of performance was in the "United States and Outlying Areas" as defined in 204.672-4. Also enter the total number of actions and total dollar value of actions corresponding to the following subtotals:

x. Line B6A - Small Purchase Procedures.

y. Line B6B - Delivery Orders - GSA Federal Supply Schedules.

z. Line B6C - Delivery Orders - Other Federal Supply Schedule.

aa. Line B6D - Delivery Orders - All Other.

bb. Line B6E - Other Contracting Actions.

cc. Line B7 - Total Contracting Actions. Enter the total number of actions and total dollar value of actions reported in

lines B1 through B6 above. Do not include the sublines from B3 through B6 in this total line. If directed by agency procedures, also enter the total number and total dollar value of actions corresponding to the following subtotals:

dd. Line B7A - Small Purchase Procedures.

ee. Line B7B - Delivery Orders - GSA Federal Supply Schedules.

ff. Line B7C- Delivery Orders - Other Federal Supply Schedules.

gg. Line B7D - Delivery Orders - All Other.

hh. Line B7E - Other Contracting Actions.

ii. Line B8 - Total Modifications Excluding Small Purchase Procedures. Enter the total number of actions and total dollar value of modification actions. This includes modifications to delivery of modification actions and includes modifications to delivery orders and other contract actions which may be included elsewhere in Part B.

3. Extent Competed. (Note: Actions reported in Lines B1 and B2 are not reported in section C.) Enter the total number of actions and a total dollar value of actions in the appropriate category below based on the following criteria:

a. Line C1- Competed. Except when the conditions in Line C2 below apply, use when any of the following conditions apply:

(1) Actions not subject to CICA (see FAR 6.001) where at least two quotations or offers were received;

(2) Small Business--Small Purchase Set-Asides over \$1,000;

(3) Competitive procedures were used to fulfill the requirement for full and open competition (FAR 6.1);

(4) Full and open competition was provided for after exclusion of sources, in order to establish/maintain alternative sources or to set aside a procurement for small business or labor surplus area concerns (FAR 6.2);

(5) Statutory authorities for other than full and open competition were used (FAR 6.3) and more than one offer was received (Note: Acquisition pursuant to FAR 6.302-5, authorized or required by statute, are excluded from Line C1 and addressed in the instructions for Line C2 below);

(6) Contract action resulted from a contract awarded competitively prior to CICA (including two-step formal advertising);

(7) Delivery orders/modifications under a Federal Supply Schedule; or

(8) Section 8(a) awards competed pursuant to FAR S Subpart 6.2.

b. Line C2 - Not Available for Competition. Use when any of the following conditions apply to the award: (Note: Awards to regulated monopolies, FMS awards/International Agreements, and actions with another Federal agency or Government corporation are not entered in Line C2. These actions are treated as not available for competition in published competition reports but are not reported in Line C2.)

(1) Brand name commercial products for authorized resale;

(2) Any acquisition authorized or required by statute to be awarded to a specific source or through another agency pursuant to FAR 6.302-5(b) or (4). This includes qualified nonprofit agencies for the blind or other severely handicapped, and 8(a) programs not reportable on Line C1 above;

(3) Awards, or modifications thereto, made pursuant to FAR 13.106(a) purchases not over \$1,000; or

(4) Other contract actions where the Deputy Assistant Secretary of Defense, Procurement (DASD(P)) has determined that there is no opportunity for competition.

c. Line C3 - Not Competed. Complete when Lines C1 C2 do not apply.

d. Line C1 - Competed, Total. Enter the total number of actions and total dollar value of actions which were competed. Also enter the total number of actions and total dollar value of actions corresponding to the following subtotals:

Line C1A - Small Business Concerns.

Line C1B - Large Business Concerns.

Line C1C - Domestic or Foreign Entities Performing outside the "United States and Outlying Areas".

Line C1D - Educational, Nonprofit and Other Entities.

Line C2 - Not Available for Competition, Total. Enter the total number of actions and total dollar value of actions

which were not available for competition. Also enter the total number of actions and total dollar value of actions corresponding to the following subtotals:

Line C3A - Small Business Concerns

Line C3B - Large Business Concerns

Line C3C - Domestic or Foreign Entities Performing outside the "United States and Outlying Areas"

Line C3D - Educational Institutions, Nonprofit and Other Entities

Section D, Research, Development, Test and Evaluation Actions. Enter the number and dollar value of actions for research, development, test and evaluation work on the Lines D1 through D5 as appropriate. Do not include purchases of supplies or services that are incidental to the fulfillment of RDT&E work but do not require contractor RDT&E performance.

Line D1 - RDT&E Awarded to Small Business Concerns

Line D2 - RDT&E Awarded to Large Business Concerns

Line D3 - RDT&E Awarded to Domestic or Foreign entities Performing Outside the "United States and Outlying Areas"

Line D4 - RDT&E Awarded to Historically Black Colleges and Universities or Minority Institutions

Line D5 - RDT&E Awarded to Other Entities. Enter awards to other entities such as educational, nonprofit or not-for-profit institutions which were not reportable above.

Section E, Selected Socioeconomic Statistics. Enter the total number of actions and total dollar value of actions on the appropriate lines below:

Line E1 - Small Business Set-Aside Actions. Enter the total number of actions and total dollar value which were small business set-aside actions. If the action is an emerging small business set-aside, use the most appropriate subline. Also enter the total number and total dollar value of actions corresponding to the following subtotals:

Line E1A - Small Business-Small Purchase Set-Aside. Enter actions pursuant to FAR 19.502, as supplemented.

Line E1B - Small Business Set-Aside. Enter actions pursuant to FAR 19.502, as supplemented.

Line E1C - Combined Small Business/Labor Surplus Area Set-Asides. Enter actions pursuant to 219.502-70.

Line E2 - Small Disadvantaged Business Action. Enter the total number of actions and total dollar value which were small disadvantaged business actions. Also enter the total number of action and total dollar value associated with each of the SDB categories shown below:

Line E2A - Section 8(a). Enter actions with the Small Business Administration (SBA) pursuant to Section 8(a) of the Small Business Act (FAR 19.8).

Line E2B - SDB Set-Aside or SDB Preference. Enter actions resulting from total small disadvantaged business set-aside pursuant to 219.502-72 or actions resulting from application of an SDB evaluation preference (see 219.7002); or SDB preferential consideration (see 219.502-3(S-70)).

Line E2C - Small Business-Small Purchase Set-Aside. Enter actions pursuant to FAR 13.105 where award is to an SDB without the application of a preference.

Line E2D - Small Business Set-Aside. Enter actions pursuant to FAR 19.502, without a preference or preferential consideration to an SDB, but where the award is to an SDB.

Line E2E -Other Awards Made to SDB Concerns

Line E3 - Women-Owned Small Business. Enter total actions and total dollars made to women-owned small businesses.

Line E4 -Historically Black Colleges and Universities or Minority Institutions (HBCU/MI). Enter the total actions and total dollars made to an HBCU/MI's pursuant to 226.7004.

Line E5 - Sheltered Workshop. Enter total actions and total dollars made to a workshop for the blind or a workshop for the severely handicapped from the procurement list pursuant to FAR 8.7.

Line E6 - Labor Surplus Area Set-Aside. Enter total actions and dollars made pursuant to 220.7003 or FAR 20.2. Do not include awards reported in Line E2C as a combined small business/labor surplus area set-aside.

Section F - Small Purchase Procedures - Dollar Value Ranges. Enter the total number of small purchase procedure actions and total dollar value in the appropriate category shown below.

Line F1 - \$0.01 - 1,000

Line F2 - \$1,000.01 - 2,500

Line F3 - \$2,500.01 - 10,000

Line F4 - \$10,000.01 - 25,000.00

Section G - Remarks and Authentications

Line G1 - Remarks. Enter any remarks applicable to this report.

Line G2 - Contracting Officer

Line G2A - Contracting Officer's Name. Enter the typed name (Last, First, Middle Initial) of the contracting officer or duly authorized representative.

Line G2B - Contracting Officer's Signature. Enter the signature of the person identified in line G2A, above.

Line G2C - Telephone Number. Enter the telephone number (and area code) of the person identified in line G2A, above.

Line G3 - Date Report Submitted. Enter the date submitted as year, month, and day in 2-digit numeric segments (YYMMDD). For example, enter 2 January 1999 as 990102.

MARINE CORPS PURCHASING PROCEDURES MANUAL

APPENDIX A

SAMPLE LETTERS AND FORMS USED IN PURCHASING

<u>Figure</u>		<u>Page</u>
A-1	ORDER FOR SUPPLIES OR SERVICES (DD FORM 1155) (BLANK)	A-3
A-2	ORDER FOR SUPPLIES OR SERVICES (DD FORM 1155) (SUPPLIES)	A-5
A-3	ORDER FOR SUPPLIES OR SERVICES (DD FORM 1155) (SERVICES)	A-7
A-4	ORDER FOR SUPPLIES OR SERVICES (DD FORM 1155) (BLANKET PURCHASE AGREEMENT)	A-8
A-5	BLANKET PURCHASE AGREEMENT (BPA) CALL REVIEW REPORT.	A-9
A-6	BLANKET PURCHASE AGREEMENT LOG.	A-10
A-7	SMALL PURCHASE DOCUMENTATION SHEET (BLANK) .	A-11
A-8	SMALL PURCHASE DOCUMENTATION SHEET (OPEN MARKET)	A-13
A-9	CONTRACTING OFFICER CERTIFICATE OF APPOINTMENT (STANDARD FORM 1402)	A-15
A-10	IMPREST FUND PURCHASE LOG (RECOMMENDED FORMAT)	A-16
A-11	SAMPLE IMPREST FUND CASHIER APPOINTMENT LETTER	A-17
A-12	REIMBURSEMENT VOUCHER (BLANK)	A-18
A-13	REIMBURSEMENT VOUCHER (COMPLETED SAMPLE) . . .	A-19
A-14	RECEIPT FOR CASH-SUBVOUCHER (STANDARD FORM 1165) (BLANK)	A-20
A-15	RECEIPT FOR CASH-SUBVOUCHER (STANDARD FORM 1165) (COMPLETED SAMPLE) . . .	A-21
A-16	SUMMARY OF ACCOUNTING DATA (NAVCOMPT FORM 2035)	A-22
A-17	CASH PAYMENT OF C.O.D. PACKAGES RECEIPT . . .	A-23
A-18	SMALL PURCHASE PRICING MEMORANDUM (SAMPLE) . .	A-24

MARINE CORPS PURCHASING PROCEDURES MANUAL

<u>Figure</u>		<u>Page</u>
A-19	AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT (SF 30) (ADMINISTRATIVE CHANGE) . .	A-25
A-20	AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT (STANDARD FORM 30) (SUPPLEMENTAL AGREEMENT)	A-26
A-21	AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT (STANDARD FORM 30) (PAGE 2 OF 2) . .	A-27
A-22	AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT (STANDARD FORM 30) (CHANGE ORDER) .	A-28
A-23	AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT (STANDARD FORM 30) (BLANK)	A-29
A-24	PURCHASE ORDER - INVOICE - VOUCHER (STANDARD FORM 44) (BLANK)	A-31
A-25	PURCHASE ORDER - INVOICE - VOUCHER (STANDARD FORM 44) (COMPLETED FORM)	A-32
A-26	AWARD/CONTRACT (STANDARD FORM 26) (BLANK) . .	A-33
A-27	AWARD/CONTRACT (STANDARD FORM 26)	A-35
A-2		

MARINE CORPS PURCHASING PROCEDURES MANUAL

ORDER FOR SUPPLIES OR SERVICES				Form Approved OMB No. 0704-0187 Expires Jul 31, 1989	PAGE 1 OF
1 CONTRACT / PURCH ORDER NO		2 DELIVERY ORDER NO		3 DATE OF ORDER	
4 REQUESTION / PURCH REQUEST NO		5 CERTIFIED FOR NATIONAL DEFENSE UNDER DMS REG 1 DO		6 DELIVERY FOR	
7 ISSUED BY		8 CODE		9 ADMINISTERED BY (if other than 8) CODE	
10 CONTRACTOR		11 CODE		12 FACILITY CODE	
13 NAME AND ADDRESS		14 DELIVER TO FOR POINT BY (Date)		15 MAKE IF BUSINESS IS	
16 DISCOUNT TERMS		17 MAIL INVOICES TO		18 MAKE ALL PACKAGES AND PAPERS WITH CONTRACT OR ORDER NUMBER	
19 SHIP TO		20 CODE		21 PAYMENT WILL BE MADE BY	
22 CODE		23 MAKE ALL PACKAGES AND PAPERS WITH CONTRACT OR ORDER NUMBER		24	
25 DELIVERY		26 PURCHASE		27	
28		29		30	
31		32		33	
34		35		36	
37		38		39	
40		41		42	
43		44		45	
46		47		48	
49		50		51	
52		53		54	
55		56		57	
58		59		60	
61		62		63	
64		65		66	
67		68		69	
70		71		72	
73		74		75	
76		77		78	
79		80		81	
82		83		84	
85		86		87	
88		89		90	
91		92		93	
94		95		96	
97		98		99	
100		101		102	
103		104		105	
106		107		108	
109		110		111	
112		113		114	
115		116		117	
118		119		120	
121		122		123	
124		125		126	
127		128		129	
130		131		132	
133		134		135	
136		137		138	
139		140		141	
142		143		144	
145		146		147	
148		149		150	
151		152		153	
154		155		156	
157		158		159	
160		161		162	
163		164		165	
166		167		168	
169		170		171	
172		173		174	
175		176		177	
178		179		180	
181		182		183	
184		185		186	
187		188		189	
190		191		192	
193		194		195	
196		197		198	
199		200		201	
202		203		204	
205		206		207	
208		209		210	
211		212		213	
214		215		216	
217		218		219	
220		221		222	
223		224		225	
226		227		228	
229		230		231	
232		233		234	
235		236		237	
238		239		240	
241		242		243	
244		245		246	
247		248		249	
250		251		252	
253		254		255	
256		257		258	
259		260		261	
262		263		264	
265		266		267	
268		269		270	
271		272		273	
274		275		276	
277		278		279	
280		281		282	
283		284		285	
286		287		288	
289		290		291	
292		293		294	
295		296		297	
298		299		300	
301		302		303	
304		305		306	
307		308		309	
310		311		312	
313		314		315	
316		317		318	
319		320		321	
322		323		324	
325		326		327	
328		329		330	
331		332		333	
334		335		336	
337		338		339	
340		341		342	
343		344		345	
346		347		348	
349		350		351	
352		353		354	
355		356		357	
358		359		360	
361		362		363	
364		365		366	
367		368		369	
370		371		372	
373		374		375	
376		377		378	
379		380		381	
382		383		384	
385		386		387	
388		389		390	
391		392		393	
394		395		396	
397		398		399	
400		401		402	
403		404		405	
406		407		408	
409		410		411	
412		413		414	
415		416		417	
418		419		420	
421		422		423	
424		425		426	
427		428		429	
430		431		432	
433		434		435	
436		437		438	
439		440		441	
442		443		444	
445		446		447	
448		449		450	
451		452		453	
454		455		456	
457		458		459	
460		461		462	
463		464		465	
466		467		468	
469		470		471	
472		473		474	
475		476		477	
478		479		480	
481		482		483	
484		485		486	
487		488		489	
490		491		492	
493		494		495	
496		497		498	
499		500		501	
502		503		504	
505		506		507	
508		509		510	
511		512		513	
514		515		516	
517		518		519	
520		521		522	
523		524		525	
526		527		528	
529		530		531	
532		533		534	
535		536		537	
538		539		540	
541		542		543	
544		545		546	
547		548		549	
550		551		552	
553		554		555	
556		557		558	
559		560		561	
562		563		564	
565		566		567	
568		569		570	
571		572		573	
574		575		576	
577		578		579	
580		581		582	
583		584		585	
586		587		588	
589		590		591	
592		593		594	
595		596		597	
598		599		600	
601		602		603	
604		605		606	
607		608		609	
610		611		612	
613		614		615	
616		617		618	
619		620		621	
622		623		624	
625		626		627	
628		629		630	
631		632		633	
634		635		636	
637		638		639	
640		641		642	
643		644		645	
646		647		648	
649		650		651	
652		653		654	
655		656		657	
658		659		660	
661		662		663	
664		665		666	
667		668		669	
670		671		672	
673		674		675	
676		677		678	
679		680		681	
682		683		684	
685		686		687	
688		689		690	
691		692		693	
694		695		696	
697		698		699	
700		701		702	
703		704		705	
706		707		708	
709		710		711	
712		713		714	
715		716		717	
718		719		720	
721		722		723	
724		725		726	
727		728		729	
730		731		732	
733		734		735	
736		737		738	
739		740		741	
742		743		744	
745		746		747	
748		749		750	
751		752		753	
754		755		756	
757		758		759	
760		761		762	
763		764		765	
766		767		768	
769		770		771	
772		773		774	
775		776		777	
778		779		780	
781		782		783	
784		785		786	
787		788		789	
790		791		792	
793		794		795	
796		797		798	
799		800		801	
802		803		804	
805		806		807	
808		809		810	
811		812		813	
814		815		816	
817		818		819	
820		821		822	
823		824		825	
826		827		828	
829		830		831	
832		833		834	
835		836		837	
838		839		840	
841		842		843	
844		845		846	
847		848		849	
850		851		852	

[illegible]

A-4

MARINE CORPS PURCHASING PROCEDURES MANUAL

ORDER FOR SUPPLIES OR SERVICES				Form Approved OMB No 0704-0187 Expires Jul 31, 1989	PAGE 1 OF 2	
1. CONTRACT PURCH ORDER NO N00612-90-M-0567		2. DELIVERY ORDER NO N00612		3. DATE OF ORDER 90JAN21	4. REQUESTION/POACH REQUEST NO See Schedule	
5. ISSUED BY Regional Contracting Dept. Naval Supply Center Charleston, SC 29408 201.1A Smith, Z.X. (803) 743-2468		6. ADMINISTERED BY (PRINT NAME)		7. CODE		
9. CONTRACTOR NAME AND ADDRESS Richmond Manufacturing Co. 1900 Peachtree St., NE Atlanta, GA 30307		10. FACILITY CODE		11. DELIVER TO FOB POINT BY (DATE) 90APR22		
12. SHIP TO Receiving Officer, Bldg. 198 Naval Supply Center Charleston, SC 29408 TAC N867		13. PAYMENT WILL BE MADE BY UIC N00612		14. CODE		
15. MARK IN BUSINESS <input checked="" type="checkbox"/> SMALL <input type="checkbox"/> SMALL DRYD <input type="checkbox"/> WOMEN-OWNED						
16. DELIVERY This delivery order is issued in accordance with the terms and conditions of the above numbered contract.						
17. PURCHASE X ACCEPTANCE OF CONTRACTOR'S WORK IS HEREBY ACCEPTED BY THE NUMBERED PURCHASE ORDER AS IT MAY PREVIOUSLY HAVE BEEN OR IS NOW ACCEPTED SUBJECT TO ALL OF THE TERMS AND CONDITIONS SET FORTH HEREIN.						
18. ACCOUNTING AND APPROPRIATION DATA (SEE SCHEDULE)						
19. ITEM NO		20. SCHEDULE OF SUPPLIES OR SERVICES		21. QUANTITY ORDERED ACCEPTED	22. UNIT PRICE	
0001		10 NSN 6210-00-283-0691 Total Item Qty. Fixture, lighting, 300 watt, watertight, non-magnetic, in accordance with MIL-F-163772 of 24 May 1962, and NAVSBA Dwg. 3708.		20	EA \$36.40	
0002		106 NSN None Total Item Qty Canopy, Twin, Wheeler, Part Number E24		100	EA \$25.00	
		REQ: N00612-3004-0082 ACR:AA REQ: N00612-3004-0081 ACR:AB ACR:AA 1791804 2100 000 00038 0 00612 20 00000 00612800820 ACR:AB 1791804 2100 000 00038 0 00612 20 00000 00612800810			\$728.00 \$2500.00	
23. TOTAL				\$3228.00		
24. QUANTITY RECEIVED BY THE GOVERNMENT IS SAME AS QUANTITY ORDERED UNLESS SHOWN OTHERWISE. SHIP QUANTITY RECEIVED FROM QUANTITY ORDERED AND SHIP QUANTITY				25. CONTRACTING ORDERING OFFICER		
26. QUANTITY IN COLUMN 20 HAS BEEN <input type="checkbox"/> INSPECTED <input type="checkbox"/> RECEIVED <input type="checkbox"/> ACCEPTED AND CONFORMS TO THE CONTRACT EXCEPT AS NOTED				27. SHIP NO		
28. SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE				29. PAID BY		
30. SIGNATURE AND TITLE OF CONTRACTOR				31. CHECK NUMBER		
32. RECEIVED AT				33. ACCOUNT NUMBER		

DD Form 1155. Previous editions are obsolete. CONTRACTOR MUST SUBMIT FOUR COPIES OF INVOICE

Figure A-2.-- Order for Supplies or Services (DD Form 1155) (Supplies).

MARINE CORPS PURCHASING PROCEDURES MANUAL

CONTINUATION SHEET		REFERENCE NO. OF DOCUMENT BEING CONTINUED	PAGE
		N00612-90-M-0567	2 of 3
NAME OF OFFEROR OR CONTRACTOR			
ITEM NO.	SUPPLIES/SERVICES	QUANTITY	UNIT PRICE
	<p>"PREPAID SHIPMENT/REIMBURSABLE TRANSPORTATION"</p> <p>Transportation charges shall be prepaid by the contractor subject to reimbursement by the Government. Material will be delivered F.O.B. Supplier's plant <u>Atlanta, Georgia</u>, with shipment to be made to destination(s) specified herein.</p> <p>The transportation cost is to be shown on the same invoice as supplies are billed but as a separate item. The contractor agrees to retain related transportation billings paid separately for a period of three years and to furnish such bills to the Government when required for audit purposes.</p> <p>For obligation purposes/information purposes only, the transportation cost is estimated to be \$ <u>25.00</u>.</p>		

Figure A-2.-- Order for Supplies or Services
(DD Form 1155) (Supplies)--Continued.

MARINE CORPS PURCHASING PROCEDURES MANUAL

ORDER FOR SUPPLIES OR SERVICES				Form Approved OMB No. 0704-0187 Expires Jul 31, 1985	PAGE 1 OF 4
1. CONTRACT NUMBER N00612-89-M-5345		2. DELIVERY ORDER NO. N00612		3. DATE OF ORDER 89JAN06	4. REQUEST FOR QUOTE NO. X00612-9005-9756
5. ISSUED BY Regional Contracting Dept. Naval Supply Center Charleston, South Carolina 29408 Buyer/Symbol: H. Smith, 201.1Q Telephone: (803) 743-4755		6. ADMINISTERED BY (If other than 5): CODE		7. CERTIFIED FOR NAVAL OFFENSE UNDER DAWNS REG 1 DO	
8. CONTRACTOR NAME AND ADDRESS Vertex Systems, Inc. 1903 Ford Street Tucker, GA 30084		9. FACILITY CODE		10. DELIVERY FOR <input checked="" type="checkbox"/> DELT <input type="checkbox"/> OTHER Give Schedule if other	
11. PAYMENT WILL BE MADE BY N00612		12. ORDER TO FORM POINT BY DATE 89JAN15		13. MAKE IF BUSINESS IS <input checked="" type="checkbox"/> SMALL <input type="checkbox"/> SMALL DEAD VANTAGE <input type="checkbox"/> WOMAN-OWNED	
14. SHIP TO Receiving Officer, Bldg. 198 N00612-89-M-5345 Naval Supply Center Charleston, SC 29408		15. PAYMENT WILL BE MADE BY N00612		16. MAIL INVOICES TO Contracting Officer, Code 2021 NSC Charleston SC29408	
17. DELIVERY: THIS ORDER IS MADE BY THE GOVERNMENT AND IS SUBJECT TO THE TERMS AND CONDITIONS OF THE ORDER NUMBERED IDENTICAL.					
18. PURCHASE: <input checked="" type="checkbox"/> ACCEPTANCE OF THE CONTRACTOR'S WORK SHALL BE THE BASIS FOR THE PAYMENT OF THE ORDER. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE PAYMENT OF THE ORDER. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE PAYMENT OF THE ORDER.					
19. NAME OF CONTRACTOR: R.D. DODGE					
20. ACCOUNTING AND APPROPRIATION DATA: AA: 179-1804-2371 000 00612 0 00612 2D 281680 FP170979400					
21. NOT TO EXCEED \$1900.00					
22. ITEM NO.		23. SCHEDULE OF SUPPLIES SERVICE		24. QUANTITY ORDERED	25. UNIT PRICE
0001		1 NSN Name Total Item Qty Services, labor and material for repair of one (1) Kretch model no. 31-1CW, IHPAC serial no. 3107. To include rewinding stator and rotor and replacing bearings.		1	Job
26. NOTICE TO SUPPLIER (APR 1984) This is a firm order only if your price does not exceed the maximum line item or total price in the schedule. Submit invoices to the procuring contracting officer. If you cannot perform in exact accordance with this order with hold performance and notify your contracting officer immediately, giving your quotation.					
27. TOTAL \$1900.00					
28. DIFFERENCES					
29. CONTRACTING OFFICER'S SIGNATURE R.D. DODGE					
30. QUANTITY IN COLUMN 23 HAS BEEN <input type="checkbox"/> INSPECTED <input type="checkbox"/> RECEIVED <input type="checkbox"/> ACCEPTED AND CONFORMS TO THE CONTRACT EXCEPT AS NOTED					
31. PAYMENT <input type="checkbox"/> PARTIAL <input type="checkbox"/> FINAL					
32. CHECK NUMBER					
33. DATE OF ORDER					
34. DATE OF RECEIPT					
35. DATE OF PAYMENT					
36. DATE OF INVOICE					

Figure A-3.--Order for Supplies or Services
(DD Form 1155) (Services).

MARINE CORPS PURCHASING PROCEDURES MANUAL

ORDER FOR SUPPLIES OR SERVICES				Form Approved OMB No 0704-0187 Expires Jul 31, 1989		PAGE 1 OF	
1 CONTRACT/PURCH ORDER NO (Your UIC)-89-A-Digit#		2 DELIVERY ORDER NO		3 DATE OF ORDER (Effective Date)		4 REQUEST/PURCH REQUEST NO	
5 ISSUED BY Your activity and complete address plus name, code, and telephone number of person issuing BPA		6 CODE		7 ADMINISTERED BY (If other than 5)		8 CODE	
9 CONTRACTOR (Insert appropriate contractor's name and address)		10 CODE		11 FACILITY CODE		12 DELIVER TO FOR POINT BY (Date)	
13 NAME AND ADDRESS		14 CODE		15 FACILITY CODE		16 AS INDICATED BY EACH CALL 17 DISCOUNT (Show in whole numbers) e.g. 1.00% 30 days	
18 SHIP TO		19 CODE		20 PAYMENT WILL BE MADE BY (Insert appropriate paying office)		21 MAKE ALL BUSINESS AS <input checked="" type="checkbox"/> SMALL <input type="checkbox"/> SMALL SHAD-VANTAGE <input type="checkbox"/> WOMEN-OWNED Complete	
22 DELIVERY		23 PURCHASE		24 NAME OF CONTRACTOR		25 SIGNATURE	
26 QUANTITY		27 SCHEDULE OF SUPPLIES/SERVICE		28 QUANTITY ORDERED/ACCEPTED		29 UNIT PRICE	
30 AMOUNT		31 DESCRIPTION OF AGREEMENT. This is a blanket purchase agreement for electrical supplies and services for which the contractor may deliver to the Government if and when requested by the contracting officer or his authorized representative, for an indefinite period commencing (insert effective date).		32 EXTENT OF OBLIGATION. The Government is obligated under this blanket purchase agreement only to the extent of authorized calls actually placed against this agreement.		33 CONTRACTOR'S BILLING PERIOD. As agreed, contractor will submit his bill on or about the (insert day of each month here) of each month.	
34 QUANTITY IN COLUMN 28 HAS BEEN <input type="checkbox"/> INSPECTED <input type="checkbox"/> RECEIVED <input type="checkbox"/> ACCEPTED AND CONFORMS TO THE CONTRACT (unless as noted)		35 SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE		36 DATE		37 SIGNATURE AND TITLE OF CERTIFYING OFFICER	
38 RECEIVED BY		39 RECEIVED BY		40 RECEIVED BY		41 RECEIVED BY	
42 RECEIVED BY		43 RECEIVED BY		44 RECEIVED BY		45 RECEIVED BY	

DD Form 1155, Previous editions are obsolete. CONTRACTOR MUST SUBMIT FOUR COPIES OF INVOICE

Figure A-4.--Order for Supplies or Services
(DD Form 1155) (Blanket Purchase Agreement).

MARINE CORPS PURCHASING PROCEDURES MANUAL

BLANKET PURCHASE AGREEMENT (BPA) CALL REVIEW REPORT			
ACTIVITY		<small>NOTE: This form is to be used for conducting and reporting the semi-annual review of BPA files required by paragraph 5130 of Field Purchasing, Marine Publication 487, and by Section 3, Part 6, of the Defense Acquisition Regulation (DAR).</small>	
ACTIVITY WHICH ISSUED BPA (IF OTHER THAN ABOVE)			
BPA NUMBER	TOTAL CALLS PLACED DURING PERIOD REVIEWED		
PERIOD COVERED BY REVIEW	DATE OF REVIEW		
<small>INSTRUCTIONS: The completed form shall be retained in the BPA file and, for those BPA's utilized and reviewed by personnel outside the jurisdiction of the command of the contracting office issuing the BPA, a signed copy of the completed form shall be forwarded to the contracting office. If any unsatisfactory conditions are found during the review (as evidenced by a "No" answer below) an explanation must be provided which includes action taken or to be taken to correct the noted condition.</small>			
1	ARE REGULAR SUPPLY CHANNELS BEING SCREENED PRIOR TO PLACING CALLS (EXCEPT WHERE THE SCREENING REQUIREMENT IS EXPRESSLY WAIVED)?	YES	NO
2	ARE CALLS BEING PLACED ONLY BY PROPERLY AUTHORIZED PERSONNEL?		
3	ARE THE ESTABLISHED MONETARY LIMITATIONS OF DESIGNATED CALLING INDIVIDUALS BEING ADHERED TO?		
4	DO INDIVIDUAL CALLS REPRESENT THE TOTAL KNOWN AND FUNDED REQUIREMENTS FOR THE SUPPLIES BEING PURCHASED? (I.E. REQUIREMENTS ARE NOT BEING SPLIT TO CIRCUMVENT ESTABLISHED MONETARY LIMITATIONS.)		
5	IS PROPER ATTENTION BEING GIVEN TO PRICING AS EVIDENCED BY THE APPARENT REASONABleness OF PRICES PAID?		
6	IS THE FILE BEING ADEQUATELY DOCUMENTED (I.E. CALL RECORD INFORMATION AND SIGNATURE JUSTIFICATION FOR EXCEPTION TO MANDATORY SUPPLY SOURCES AND (FOR CALLS OVER \$1,000.00) RECORD OF FIRMS SOLICITED AND RESPONSES RECEIVED OR JUSTIFICATION FOR SOLE SOURCE?)		
7	DOES THIS BPA CONTRACTOR APPEAR TO BE RECEIVING AN EQUITABLE PORTION OF THE CALLS OF \$1,000.00 OR LESS PLACED FOR SUPPLIES IN HIS CATEGORY?		
REMARKS			
I CERTIFY THAT THE ABOVE LISTED BPA FILE HAS BEEN REVIEWED, AND THE FINDINGS NOTED ABOVE ARE COMPLETE AND ACCURATE TO THE BEST OF MY KNOWLEDGE AND BELIEF.		NAME AND TITLE OF REVIEWING OFFICIAL	
SIGNATURE		DATE	

Figure A-5.--Blanket Purchase Agreement (BPA) Call Review Report.

BPA NUMBER	CONTRACTOR
------------	------------

BLANKET PURCHASE AGREEMENT LOG

[illegible]

A-10

MARINE CORPS PURCHASING PROCEDURES

SMALL PURCHASE DOCUMENTATION SHEET

1. Purchase/D.O. No. _____ FSS Contract No. _____ BPA No./Call No. _____ Imprest Fund No. _____		2. <input type="checkbox"/> Fast Pay Fleet Fast Pay <input type="checkbox"/> Warranty Applies <input type="checkbox"/> Do _____ Dx _____ Rating _____ <input type="checkbox"/> Qty Inc. _____ % Decr _____ % <input type="checkbox"/> Bilateral return _____ copies	
3. Foreign Item <input type="checkbox"/> No <input type="checkbox"/> Yes, Justification attached		4. <input type="checkbox"/> Award All or None (Attach Price Justification Form) <input type="checkbox"/> One Quote which is greater than \$2500-attach price reasonableness justification <input type="checkbox"/> GFP \$ _____ Acquisition Value <input type="checkbox"/> SB Set-aside Dissolved (Attach Memo)	
5. NSN <input type="checkbox"/> No <input type="checkbox"/> Yes, Justification for open market purchase attached		7. Ship to: Ultimate Consignee Other: _____	
6. SOURCE: <input type="checkbox"/> Federal Prison Industries (FPI) <input type="checkbox"/> Blind and Other Severely Handicapped <input type="checkbox"/> Federal Supply Schedule (FSS) Mandatory FSS <input type="checkbox"/> Optional FSS <input type="checkbox"/> Multiple Award <input type="checkbox"/> Award to Lowest Source <input type="checkbox"/> Award to other than Lowest Source (attach Documentation) <input type="checkbox"/> Single Award <input type="checkbox"/> Other (e.g., Award using any other DOD contract) <input type="checkbox"/> Open Market <input type="checkbox"/> BPA <input type="checkbox"/> Imprest Fund <input type="checkbox"/> SF 44		8. Mail Invoices to: _____ 9. Paying Office: _____ Other: _____	
10. REMARKS: _____			

☐ Small Business-Small Purchase Set-aside. The following clause applies to all purchases not over \$25,000 when the purchase is to be made to a small business. It must be read orally to all contractors solicited by telephone.

FAR 52.210-4 "Notice of Small Business-Small Purchase Set-Aside (AUG 1988)". Quotations under this acquisition are solicited from small business concerns only. If this purchase is for supplies, it will be made only from a small business concern furnishing its own manufactured product, or from a small business concern providing the product of another manufacturer. In either case, such product must be manufactured or produced in the United States, its territories or possessions, Puerto Rico, or the Trust Territory of the Pacific Islands. Quotations that are not from a small business shall not be considered and shall be rejected.
 (End of provision)

Figure A-7.--Small Purchase Documentation Sheet (Blank).

A-11

MARINE CORPS PURCHASING PROCEDURES MANUAL

REMARKS:		QUOTER ADDRESS:	QUOTER ADDRESS:	QUOTER ADDRESS:
		CONTRACT NO./Order No./BPA No.	CONTRACT NO./Order No./BPA No.	CONTRACT NO./Order No./BPA No.
		TELEPHONE	TELEPHONE	TELEPHONE
		PERSON CONTACTED	PERSON CONTACTED	PERSON CONTACTED
		DELIVERY QTY	DELIVERY QTY	DELIVERY QTY
		FOR POINT	FOR POINT	FOR POINT
		() DEST	() DEST	() DEST
		() OTHER	() OTHER	() OTHER
		EST THRU	EST THRU	EST THRU
		() YES	() YES	() YES
		() NO	() NO	() NO
		() SMALL DELIVERY	() SMALL DELIVERY	() SMALL DELIVERY
		() QUOTE	() QUOTE	() QUOTE
		UNIT PRICE	UNIT PRICE	UNIT PRICE
		AMOUNT	AMOUNT	AMOUNT
		TOTAL AMOUNT	TOTAL AMOUNT	TOTAL AMOUNT
		\$	\$	\$
		BUYER SIGNATURE	BUYER SIGNATURE	BUYER SIGNATURE

Figure A-7.--Small Purchase Documentation Sheet
(Blank)--Continued.

MARINE CORPS PURCHASING PROCEDURES MANUAL

SMALL PURCHASE DOCUMENTATION SHEET	
1. Purchase/D.O. No. <u>N00612-90-M-4520</u> FSS Contract No. _____ BPA No./Call No. _____ Imprest Fund No. _____	2. <input type="checkbox"/> Fast Pay Fleet Fast Pay <input type="checkbox"/> Warranty Applies <input checked="" type="checkbox"/> Dp CD Dx _____ Rating _____ <input type="checkbox"/> Qty Inc. _____ % Decr _____ <input type="checkbox"/> Bilateral return _____ copies
3. Foreign Item <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes, Justification attached	4. <input type="checkbox"/> Award All or None <input checked="" type="checkbox"/> Attach Price Justification Form <input type="checkbox"/> One Quote which is greater than \$2500-attach price reasonableness justification <input type="checkbox"/> GFP \$ _____ Acquisition Value <input type="checkbox"/> SB Set-aside Dissolved (Attach Memo)
5. NSN <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes, Justification for open market purchase attached	6. SOURCE: <input type="checkbox"/> Federal Prison Industries (FPI) <input type="checkbox"/> Blind and Other Severely Handicapped <input type="checkbox"/> Federal Supply Schedule (FSS) <input type="checkbox"/> Mandatory FSS <input type="checkbox"/> Optional FSS <input type="checkbox"/> Multiple Award <input type="checkbox"/> Award to Lowest Source <input type="checkbox"/> Award to other than Lowest Source (attach Documentation) <input type="checkbox"/> Single Award <input type="checkbox"/> Other (e.g., Award using any other DOD contract) <input checked="" type="checkbox"/> Open Market <input type="checkbox"/> BPA <input type="checkbox"/> Imprest Fund <input type="checkbox"/> SF 44
7. Ship to: <u>CNSVD, Bldg 69</u> Other: _____	Ultimate Consignee <u>CNSVD, Shop 06</u>
8. Mail Invoices to: Comptroller CODE 630.11 Charleston, S.S. 29408	9. Paying Office: <u>Naval Supply</u> Center, CODE 53.5 Other: <u>Charleston, S.C. 29408</u> [UIC] _____
10. Remarks: Mark for Shop 06	
<p><input checked="" type="checkbox"/> Small Business-Small Purchase Set-aside. The following clause applies to all purchases not over \$25,000 when the purchase is to be made to a small business. It must be read orally to all contractors solicited by telephone.</p> <p>FAR 52.210-4 "Notice of Small Business-Small Purchase Set-Aside (AUG 1988)". Quotations under this acquisition are solicited from small business concerns only. If this purchase is for supplies, it will be made only from a small business concern furnishing its own manufactured product, or from a small business concern providing the product of another manufacturer. In either case, such product must be manufactured or produced in the United States, its territories or possessions, Puerto Rico, or the Trust Territory of the Pacific Islands. Quotations that are not from a small business shall not be considered and shall be rejected. (End of provision)</p>	

Figure A-8.--Small Purchase Documentation Sheet
(Open Market).

MARINE CORPS PURCHASING PROCEDURES MANUAL

[illegible]

Figure A-8.--Small Purchase Documentation Sheet
(Open Market)--Continued.

Certificate of Appointment

Under authority vested in the undersigned and in conformance with
Subpart 1.6 of the Federal Acquisition Regulation

is appointed

Contracting Officer

for the

United States of America

Subject to the limitations contained in the Federal Acquisition Regulation and to the following

Unless sooner terminated, this appointment is
effective as long as the appointee is assigned to

Appointing Authority

Agency/Department

Appointing Authority Title

Date

Date

STANDARD FORM 1402-100 (1-6-68)
Prescribed by GSA
FPMR (41 CFR) 101-11.6

Figure A-9.--Contracting Officer Certificate of Appointment
(Standard Form 1402).

MARINE CORPS PURCHASING PROCEDURES MANUAL

A recommended format of the imprest fund purchase log is as follows:

IMPREST FUND PURCHASE LOG

Purchase No.	Date	Dept	Nomenclature	Supplier	Amount	Reimbursement Voucher No.	Obligation Document No.
16	5/27/90	ENG.	Cement, Epoxy	Sears San Francisco	18.50	62-90	0147-1796
17	5/29/90	SUP.	Toner	Xerox San Francisco	23.00	62-90	0149-1802
18	6/2/90	ENG.	Fire Hose Nozzle	DEP Co. San Francisco	57.00		0153-1832
19	6/6/90	SUP.	Facsimile Stamps	MUTH Co. Oakland	14.00		0157-1840
20	6/6/90	GUN.	Gaskets	Gates Oakland	23.00		0157-1852

Figure A-10.--Imprest Fund Purchase Log (Recommended Format).

MARINE CORPS PURCHASING PROCEDURES MANUAL

(SAMPLE IMPREST FUND CASHIER APPOINTMENT)

NAVAL AIR STATION
ANYWHERE, USA

From: Commanding Officer 19 January 1990
To: Susie Q. Smith, Supply Clerk, GS-5
Subj: IMPREST FUND CASHIER; APPOINTMENT AS
Ref: (a) NAVCOMPT Manual Volume IV, pars. 041502, 041513,
042450
(b) CO, NAS, Anywhere, USA ltr Code 1900 of 2 Jan
1981
(c) FAR 13.400
(d) DFARS 13.402

1. In accordance with reference (a), you are hereby appointed the Principal Imprest Fund Cashier for Naval Air Station (NAS), Anywhere, USA, effective 20 January 1990, and you will acknowledge acceptance of the appointment in accordance with reference (a)

2. You will establish and maintain an imprest fund balance of \$_____ in accordance with reference (b). All purchases, disbursements, reimbursements and accounting will be performed in accordance with references (c) and (d).

J. B. JONES

Copy to:
NSC Charleston (Code 200M)
Disbursing Officer, Naval Air Station, Anywhere, USA

19 January 1990

FIRST ENDORSEMENT

From: Susie Q. Smith
To: Commanding Officer, Naval Air Station, Anywhere, USA

Subj: ACCEPTANCE OF APPOINTMENT AS IMPRESS FUND CASHIER

1. I accept the position of Imprest Fund Cashier and agree to hold myself accountable to the United States Government for all public funds received.

SUSIE Q. SMITH

Figure A-11.--Sample Imprest Fund Cashier Appointment Letter.

MARINE CORPS PURCHASING PROCEDURES MANUAL

Standard Form 1129 1-64 (Rev. 1-64) ATTACH SUBVOUCHERS HERE		REIMBURSEMENT VOUCHER		Voucher No.	Schedule No.						
U.S. _____ (Department, Bureau, or Establishment)				PAID BY <div style="border: 1px solid black; width: 100px; height: 100px; margin: 0 auto;"></div>							
Payee's name _____											
Mailing address _____											
For payments made on account of official business as per attached subvouchers numbers _____ to _____ inclusive, for the period _____ 19____ to _____ 19____ and reclaimed subvouchers numbers _____				<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th colspan="2" style="text-align: center;">AMOUNT</th> </tr> <tr> <td style="text-align: center;">Dollars</td> <td style="text-align: center;">Cents</td> </tr> <tr> <td style="height: 20px;"></td> <td style="height: 20px;"></td> </tr> </table>		AMOUNT		Dollars	Cents		
AMOUNT											
Dollars	Cents										
STATUS OF FUND		DOLLARS	CENTS	Differences _____ Amount verified, correct or _____ (Signature or initials) _____ (For Administrative Use)							
This Voucher _____ Unpaid Reimbursement Voucher Dated _____ Unscheduled Subvouchers _____ Interim Receipts for Cash _____ Cash on Hand _____											
Total _____				Approved: _____ Pursuant to authority vested in me, I certify that this voucher is correct and proper for payment. (Date) _____ Authorized Certifying Officer _____							
I certify that the disbursements claimed herein are correct and proper, that payment has not been received, and that the status of the fund for which I am accountable is as stated above.											
(Date) _____ (Cashier) _____ Title _____											
Number of reimbursement checks desired _____ in the amounts of _____											
ACCOUNTING CLASSIFICATION											
Paid by Check(s) No.(s) _____				Paid by cash, \$ _____ ON _____ (Date)							
Payee _____											

Figure A-12.--Reimbursement Voucher (Blank).

MARINE CORPS PURCHASING PROCEDURES MANUAL

REIMBURSEMENT VOUCHER		Voucher No.	Schedule No.																											
<p>U.S. Department of the Navy, National Naval Medical Center Payee's name <u>Mr. J. R. MAC FARLANE</u> Mailing address <u>Bldg. 54</u> <u>Bethesda, MD 20014</u></p>		<p>PAID BY</p>																												
<p>For payments made on account of official business as per attached subvouchers numbers <u>18</u> to <u>20</u> inclusive, for the period <u>2 June 1990</u> to <u>8 June 1990</u> and reclaimed subvouchers numbers</p>		<table border="1"> <thead> <tr> <th colspan="2">AMOUNT</th> </tr> <tr> <th>Dollars</th> <th>Cents</th> </tr> </thead> <tbody> <tr> <td>95</td> <td>00</td> </tr> </tbody> </table>		AMOUNT		Dollars	Cents	95	00																					
AMOUNT																														
Dollars	Cents																													
95	00																													
<p>STATUS OF FUND</p> <table border="1"> <thead> <tr> <th>DOLLARS</th> <th>CENTS</th> </tr> </thead> <tbody> <tr> <td>7095</td> <td>00</td> </tr> <tr> <td colspan="2">This Voucher</td> </tr> <tr> <td colspan="2">Unpaid Reimbursement Voucher Dated</td> </tr> <tr> <td colspan="2">Unreconciled Subvouchers</td> </tr> <tr> <td colspan="2">Interim Receipts for Cash</td> </tr> <tr> <td>2905</td> <td>00</td> </tr> <tr> <td colspan="2">Cash on Hand</td> </tr> <tr> <td colspan="2">Total</td> </tr> <tr> <td>10,000</td> <td>00</td> </tr> </tbody> </table>		DOLLARS	CENTS	7095	00	This Voucher		Unpaid Reimbursement Voucher Dated		Unreconciled Subvouchers		Interim Receipts for Cash		2905	00	Cash on Hand		Total		10,000	00	<p>Differences:</p> <p>Amount verified, correct or</p> <p>(Signature or initials)</p> <p>(For Administrative Use)</p> <p>Approved:</p>								
DOLLARS	CENTS																													
7095	00																													
This Voucher																														
Unpaid Reimbursement Voucher Dated																														
Unreconciled Subvouchers																														
Interim Receipts for Cash																														
2905	00																													
Cash on Hand																														
Total																														
10,000	00																													
<p>I certify that the disbursements claimed herein are correct and proper, that payment has not been received, and that the status of the fund to which I am accountable is as stated above.</p> <p>9 June 1990 <u>J.R. MAC FARLANE</u> Date (Cashier)</p> <p><u>SKCS USN</u> Title</p> <p>Number of reimbursement checks desired _____ in the amounts of _____</p>		<p>Pursuant to authority vested in me, I certify that this voucher is correct and proper for payment.</p> <p>9 June 1990 <u>I.L. GARNER, LT. SC, USN</u> Date (Supply Officer)</p>																												
<p>ACCOUNTING CLASSIFICATION</p> <table border="1"> <tbody> <tr> <td>1701804.7020</td> <td>000</td> <td>57017</td> <td>0</td> <td>060957</td> <td>2D</td> <td>R52192</td> <td>0001531832KR</td> <td>\$4195.00</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>0001571840KG</td> <td>2700.00</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>0001571872KR</td> <td>200.00</td> </tr> </tbody> </table>				1701804.7020	000	57017	0	060957	2D	R52192	0001531832KR	\$4195.00								0001571840KG	2700.00								0001571872KR	200.00
1701804.7020	000	57017	0	060957	2D	R52192	0001531832KR	\$4195.00																						
							0001571840KG	2700.00																						
							0001571872KR	200.00																						
<p>Paid by Check: No (S)</p>		<p>Paid by cash, \$ _____ ON _____ (Date)</p> <p>Payee</p>																												

Figure A-13.--Reimbursement Voucher (Completed Sample).

STANDARD FORM 1165 7-60 (Rev. 1-55)		RECEIPT FOR CASH—SUBVOUCHER (To be used when invoice is not available)		Serial No. _____ Date _____	
<p>Received in cash from _____ and _____ (\$ _____) for the following:</p>					
QUANTITY	ARTICLES OR SERVICES				AMOUNT
<p>Vendor _____ By _____ (Signature of Vendor/Agent) Address _____ Title _____ (Use only when no invoice is available) Purpose (Project, etc.) _____ APPROPRIATION AND ACCOUNTING CLASSIFICATION _____</p>					

INTERIM RECEIPT FOR CASH

Date _____

Received of Imprest Fund Cashier \$ _____ for which I hold myself accountable to the United States.

(Signature)

NOTE TO SIGNER
It is the receipt is marked "VOID" and returned to you when the transaction is completed or disburse returned to the Cashier.

Figure A-14.--Receipt for Cash-Subvoucher (Standard Form 1165)
(Blank).

MARINE CORPS PURCHASING PROCEDURES MANUAL

INTERIM RECEIPT FOR CASH		RECEIPT FOR CASH--SUBVOUCHER							
Standard Form 1165 1-60 (Rev. 1-58)		(To be used when service is not available)							
DATE <u>20 Nov. 90</u> Received of Imprest Fund Cashier \$ <u>375.00</u> for which I hold myself accountable to the United States.		Received in cash from Imprest Fund Cashier Name and address of activity or three hundred seventy-five (live) and no (\$ 375.00) for the following:							
(Signature) _____ Be sure this receipt is marked "VOID" and returned to you when the transaction is completed or the funds returned to the Cashier.		<table border="1"> <thead> <tr> <th>QUANTITY</th> <th>ARTICLE OR SERVICE</th> <th>AMOUNT</th> </tr> </thead> <tbody> <tr> <td>10 ea.</td> <td>Batter, 10" diam, 1" cut</td> <td>375.00</td> </tr> </tbody> </table>		QUANTITY	ARTICLE OR SERVICE	AMOUNT	10 ea.	Batter, 10" diam, 1" cut	375.00
QUANTITY	ARTICLE OR SERVICE	AMOUNT							
10 ea.	Batter, 10" diam, 1" cut	375.00							
Vendor <u>ABC Company</u> Address <u>12821 Wisconsin Ave., N.W.</u> <u>Washington, DC 20360</u> Payment (Order, etc.) _____		By _____ Title _____ (Signature of Cashier/Agent) (See instructions on back of form) Appropriation and Accounting Classification _____							

Figure A-15.--Receipt for Cash-Subvoucher (Standard Form 1165) (Completed Sample).

[illegible]

A-22.

CASH PAYMENT OF C.O.D. PACKAGES RECEIPT

[illegible]

A-23

MARINE CORPS PURCHASING PROCEDURES MANUAL

SMALL PURCHASE PRICING MEMORANDUM
(SAMPLE)

Purchase Request or Purchase Order Number _____

_____ Commercial Catalog/Published Price List
Number _____ Date _____ Page _____

_____ Established Market Price:
Means of verification _____

_____ Comparison with Prior Purchase of Same or Similar Item:
Vendor _____
Order No. _____ Date Purchased _____
Quantity _____ Unit _____ Unit Price _____
Basis For Determining Prior Price Reasonable _____

_____ Value Analysis By Buyer/User/Technical Personnel (incl.
review of technical data examination of sample, etc.)
(Specify): _____

_____ Other (set forth specific reason, e.g., valid purchase
request estimate, minimum order quantity, high priority
and delivery, special packaging/markings):

B. Reasons for Soliciting Only One Source

Signature of Buyer

Figure A-18.--Small Purchase Pricing Memorandum (Sample).

MARINE CORPS PURCHASING PROCEDURES MANUAL

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT				1. CONTRACT ID CODE	PAGE OF PAGES
2. AMENDMENT/MODIFICATION NO. P00001	3. EFFECTIVE DATE 89JUN06	4. REQUISITION/PURCHASE REG. NO. N00600-9341-3210	5. PROJECT NO. (If applicable)		
6. ISSUED BY Contracting Officer Naval Regional Contracting Center Washington Navy Yard Washington, DC 20001		7. ADMINISTERED BY (If other than Item 6) CODE N00600	8. CODE		
9. NAME AND ADDRESS OF CONTRACTOR (No. street, county, State and ZIP Code) XYZ Company 4321 Zero Street Washington, DC 20003		10. 10A. AMENDMENT OF SOLICITATION NO. 10B. DATED (SEE ITEM 13) 89MAY13			
11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS		12. ACCOUNTING AND APPROPRIATION DATA (If required)			
<p>13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS. IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.</p> <p>14. THIS CHANGE ORDER IS ISSUED PURSUANT TO (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 14.</p> <p>15. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation data, etc.) SET FORTH IN ITEM 14. PURSUANT TO THE AUTHORITY OF FAR 43.103(b).</p> <p>16. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF</p> <p>17. OTHER (Specify type of modification and authority)</p>					
<p>18. IMPORTANT: Contractor <input checked="" type="checkbox"/> is not, <input type="checkbox"/> is required to sign this document and return _____ copies to the issuing office.</p> <p>19. A DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible):</p> <p>The appropriation symbol and subhead in Block 17 of subject purchase order is hereby changed: From: 1751804.2910 To: 1751804.2910</p>					
<p>20. 20A. NAME AND TITLE OF SIGNER (Type or print) C. P. Hennigan</p> <p>20B. CONTRACTOR/OFFEROR (Signature of person authorized to sign)</p> <p>20C. DATE SIGNED 13C UNITED STATES OF AMERICA</p> <p>20D. DATE SIGNED 89 JUN 06</p>					

Figure A-19.--Amendment of Solicitation/Modification of Contract (SF 30) (Administrative Change).

MARINE CORPS PURCHASING PROCEDURES MANUAL

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT		CONTRACT NO. CODE	PAGE OF PAGES
1. AMENDMENT/MODIFICATION NO. P00002	3. EFFECTIVE DATE 89JUN08	4. REQUISITION PURCHASE REQ. NO. N00104/9322/6001	1 2
6. ISSUED BY Contracting Officer Navy Ships Parts Control Center P.O. Box 2020 Mechanicsburg, PA 17055	CODE N00104	7. ADMINISTERED BY (if other than item 6) CODE	
SAMPLE SUPPLEMENTAL AGREEMENT			
8. NAME AND ADDRESS OF CONTRACTOR (No street; county, State and ZIP Code) XYZ Company 4321 Zero Street Washington, DC 20003		9. 18A. AMENDMENT OF SOLICITATION NO. 9B. DATED (SEE ITEM 11) 10A. MODIFICATION OF CONTRACT/ORDER NO. N00104-89-M-4321 10B. DATED (SEE ITEM 11) 89 May 13	
CODE 13480	FACILITY CODE		
11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS			
12. The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of offers: <input type="checkbox"/> is extended <input type="checkbox"/> is not extended.			
13. OFFER MUST: acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing items 8 and 15 and returning _____ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. (d) By virtue of this amendment you desire to change an offer already submitted. Such change may be made by telegram or letter, provided each letter or telegram includes a reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.			
14. ACCOUNTING AND APPROPRIATION DATA (If required) 1791804.2910 000 12345 0 00168 20 000000 157864GH901			
15. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS.			
16. MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14			
17. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT/ORDER NO. IN ITEM 14			
18. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation, etc.) SET FORTH IN ITEM 14 PURSUANT TO THE AUTHORITY OF FAR 43.203(b).			
19. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF X 10 U.S.C. 2304(g)			
20. OTHER (Specify type of modification and authority)			
21. IMPORTANT: Contractor <input type="checkbox"/> is not <input checked="" type="checkbox"/> is required to sign this document, and return _____ 2 _____ copies to the issuing office.			
22. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings including solicitation/contract subject matter where feasible) Due to an increase in the need for lighting fixtures this purchase order is being changed as follows: The unit quantity of Item 1 is increased: By: 5 ea., From 10 ea.; To: 15 ea. The unit price remains the same. The total order amount is increased: By: \$114. From: \$228.00; To: \$342.00			
Continued on Page 2. . .			
23. (a) All provisions herein, all terms and conditions of the document referenced in item 9A or 10A, as hereinafter changed, remains unchanged and in full force and effect.			
24. NAME AND TITLE OF SIGNER (Type or print) A.B. Zee, Vice President		25. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) C.P. HENNIGAN	
26. CONTRACTOR OFFICE	27. DATE SIGNED 89 Jun 9	28. UNITED STATES OF AMERICA BY <i>C.P. Hennigan</i> (Signature of Contracting Officer)	29. DATE SIGNED 89 JUNE 08
30. SIGNATURE OF BRIDGE AUTHORITY TO SIGN		31. SIGNATURE OF CONTRACTING OFFICER	
SN 7540-01-152-8076 PREVIOUS EDITION UNUSABLE		30-105 STANDARD FORM 30 (REV. 10-83) Prescribed by GSA FAR 101.116-2.2.2	

Figure A-20.--Amendment of Solicitation/Modification of Contract (Standard Form 30) (Supplemental Agreement).

MARINE CORPS PURCHASING PROCEDURES MANUAL

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

Page 2 of 2

The following additional FAR Clauses are hereby incorporated and made a part of this order:

FAR 52.243-1	"Changes-Fixed-Price" (Aug 87)
DFARS 52.243-7001	"Pricing of Adjustments" (Apr 84)
FAR 52.249-4	"Termination for Convenience of the Government (Fixed-Price) (Short Form)" (Apr 84)
FAR 52.249-8	"Default (Fixed-Price, Supply and Service)" (Apr 84)

Figure A-21.--Amendment of solicitation/modification of
Contract (Standard Form 30) (Page 2 of 2).

A-27

273

MARINE CORPS PURCHASING PROCEDURES MANUAL

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT				1. CONTRACT ID CODE	PAGE OF PAGES
2. AMENDMENT/MODIFICATION NO. P00001	3. EFFECTIVE DATE 89APR02	4. REQUESTION/PURCHASE REQ. NO. N00612-9093-0921	5. PROJECT NO. (If applicable)		
6. ISSUED BY Regional Contracting Dept. Naval Supply Center Charleston, SC 29408 Buyer/Symbol: Z-V, Ace/201-9X Telephone: (803) 743-1711	CODE LN00612	7. ADMINISTERED BY (If other than Item 6)	CODE		
8. NAME AND ADDRESS OF CONTRACTOR (No. street, county, State and ZIP Code) Easy Water Finders 19 South North Street Charleston, SC 29401			9. SA. AMENDMENT OF SOLICITATION NO. 10. DATED (SEE ITEM 11) 11. MODIFICATION OF CONTRACT/ORDER NO. N00612-89-M-7816 12. DATED (SEE ITEM 13) 88NOV03		
CODE 13475 (FACILITY CODE)					
13. THIS ITEM APPLIES TO AMENDMENTS OF SOLICITATIONS					
<p>The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers <input type="checkbox"/> is extended <input type="checkbox"/> is not extended.</p> <p>Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods:</p> <p>(a) By completing items 6 and 15 and returning _____ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. (If D. value of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter. (D) and each telegram or letter makes reference to the solicitation and its amendment, and is received prior to the opening hour and date specified.)</p>					
14. ACCOUNTING AND APPROPRIATION DATA (If required) ACR 1791804-502G 000 570M 0-660951 2D 000000 02072182GE10					
15. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14					
16. A. TO CHANGE CONTRACTS/ORDERS PURSUANT TO (Specify authority. THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CON- TRACT/ORDER IN FAVOR OF: FAR 52.143-1 Changes Fixed Price					
17. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in pricing office, appropriation date, etc.) SET FORTH IN ITEM 14 PURSUANT TO THE AUTHORITY OF FAR 43.103(b).					
18. THE SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:					
19. OTHER (Specify type of modification and authority)					
E. IMPORTANT: <input checked="" type="checkbox"/> is not <input type="checkbox"/> is required to sign this document and return _____ copies to the issuing office.					
14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF action headings, including solicitation/contract subject matter where feasible): Method of Shipment. Change from thru-truck to express air freight.					
15. REPORT AS PROVIDED HEREIN: (Terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect)					
15A. NAME AND TITLE OF SIGNER (Type or print): 15B. CONTRACTOR OFFICE 15C. DATE SIGNED			16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print): JOHN J. STILLNER 16B. UNITED STATES OF AMERICA 16C. DATE SIGNED 89APR02		
15D. SIGNATURE OF OFFICE AUTHORIZED TO SIGN			16D. SIGNATURE OF CONTRACTING OFFICER		
54-75400-102-807 REVISED EDITION UNUSABLE			30-105 STANDARD FORM 30 (REV. 10-83) Prescribed by GSA FAR (48 CFR) 53.243		

Figure A-22.--Amendment of Solicitation/Modification of Contract (Standard Form 30) (Change Order).

MARINE CORPS PURCHASING PROCEDURES MANUAL

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT				1. CONTRACT ID CODE	PAGE OF PAGES
2. AMENDMENT/MODIFICATION NO.		3. EFFECTIVE DATE	4. REQUISITION/PURCHASE REQ. NO.		5. PROJECT NO. (if applicable)
6. ISSUED BY		CODE	7. ADMINISTERED BY (If other than Item 6)		CODE
8. NAME AND ADDRESS OF CONTRACTOR (No. street, county, State and ZIP Code)			9A. AMENDMENT OF SOLICITATION NO.		
			9B. DATED (SEE ITEM 11)		
			10A. MODIFICATION OF CONTRACT/ORDER NO.		
			10B. DATED (SEE ITEM 13)		
CODE		FACILITY CODE			
11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS					
<input type="checkbox"/> The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers <input type="checkbox"/> is extended, <input type="checkbox"/> is not extended.					
Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning _____ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.					
12. ACCOUNTING AND APPROPRIATION DATA (If required)					
13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS. IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.					
W. A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority). THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.					
B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation data, etc.) SET FORTH IN ITEM 14 PURSUANT TO THE AUTHORITY OF FAR 43.103(b).					
C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:					
D. OTHER (Specify type of modification and authority):					
E. IMPORTANT: Contractor <input type="checkbox"/> is not, <input type="checkbox"/> is required to sign this document and return _____ copies to the issuing office.					
14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by DCP section headings, including solicitation/contract subject matter where feasible)					
EXCEPT AS PROVIDED HEREIN, ALL TERMS AND CONDITIONS OF THE DOCUMENT REFERENCED IN ITEM 9A OR 10A, AS HERETOFORE CHANGED, REMAINS UNCHANGED AND IN FULL FORCE AND EFFECT.					
15A. NAME AND TITLE OF SIGNER (Type or print)			15A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print)		
15B. CONTRACTOR/OFFEROR			15B. UNITED STATES OF AMERICA		
15C. DATE SIGNED			15C. DATE SIGNED		
(Signature of person authorized to sign)			BY (Signature of Contracting Officer)		
NSN 7540-01-152-8070 PREVIOUS EDITION UNUSABLE		30 105		STANDARD FORM 30 (REV. 10-83) Prescribed by GSA FAR (48 CFR) 53.263	

Figure A-23.--Amendment of Solicitation/Modification of Contract (Standard Form 30) (Blank).

MARINE CORPS PURCHASING PROCEDURES MANUAL

INSTRUCTIONS

Instructions for items other than those that are self-explanatory, are as follows:

- (a) Item 1 (Contract ID Code): Insert the contract type identification code that appears in the title block of the contract being modified.
- (b) Item 3 (Effective date):
- (1) For a solicitation amendment, change order, or administrative change, the effective date shall be the issue date of the amendment, change order, or administrative change.
 - (2) For a supplemental agreement, the effective date shall be the date agreed to by the contracting parties.
 - (3) For a modification issued as an initial or confirming notice of termination for the convenience of the Government, the effective date and the modification number of the confirming notice shall be the same as the effective date and modification number of the initial notice.
 - (4) For a modification converting a termination for default to a termination for the convenience of the Government, the effective date shall be the same as the effective date of the termination for default.
 - (5) For a modification confirming the contracting officer's determination of the amount due in settlement of a contract termination, the effective date shall be the same as the effective date of the initial decision.
- (c) Item 5 (Issued By): Insert the name and address of the issuing office. If applicable, insert the appropriate issuing office code in the code block.
- (d) Item 8 (Name and Address of Contractor): For modifications to a contract or order, enter the contractor's name, address, and code as shown in the original contract or order, unless changed by this or a previous modification.
- (e) Items 9 (Amendment of Solicitation No - Dated), and 10 (Modification of Contract/Order No - Dated): Check the appropriate box and in the corresponding blanks insert the number and date of the original solicitation, contract, or order.
- (f) Item 12 (Accounting and Appropriation Data): When appropriate, indicate the impact of the modification on each affected accounting classification by inserting one of the following entries:
- (1) Accounting classification
Net increase \$
 - (2) Accounting classification
Net decrease \$
- NOTE: If there are changes to multiple accounting classifications that cannot be placed in block 12, insert an asterisk and the words "See continuation sheet."
- (g) Item 13: Check the appropriate box to indicate the type of modification. Insert in the corresponding blank the authority under which the modification is issued. Check whether or not contractor must sign this document. (See FAR 43.103.)
- (h) Item 14 (Description of Amendment/Modification):
- (1) Organize amendments or modifications under the appropriate Uniform Contract Format (UCF) section headings from the applicable solicitation or contract. The UCF table of contents, however, shall not be set forth in this document.
 - (2) Indicate the impact of the modification on the overall total contract price by inserting one of the following entries:
 - (i) Total contract price increased by \$
 - (ii) Total contract price decreased by \$
 - (iii) Total contract price unchanged.
 - (3) State reason for modification.
 - (4) When removing, reinstating, or adding funds, identify the contract items and accounting classifications.
 - (5) When the SF 30 is used to reflect a determination by the contracting officer of the amount due in settlement of a contract terminated for the convenience of the Government, the entry in Item 14 of the modification may be limited to -
 - (i) A reference to the letter determination; and
 - (ii) A statement of the net amount determined to be due in settlement of the contract.
 - (6) Include subject matter or short title of solicitation/contract where feasible.
- (i) Item 16B: The contracting officer's signature is not required on solicitation amendments. The contracting officer's signature is normally affixed last on supplemental agreements.

STANDARD FORM 30 BACK (REV. 10-82)

Figure A-23.--Amendment of Solicitation/Modification of Contract (Standard Form 30) (Back)

[illegible]

277

A-31

MARINE CORPS PURCHASING PROCEDURES MANUAL

U.S. GOVERNMENT			
PURCHASE ORDER—INVOICE—VOUCHER			
DATE OF ORDER 89 December 14		ORDER NO. N00001-90-M-1234	
ITEMS ORDERED AND QUANTITIES OF EACH (Indicate Item, Qty, and Unit)			
: PDC PARTS RADIO/TV			
: CATKIN MT., RD			
: U. S. Naval Activity			
: Washington, D. C. 20001			
QUANTITY OF SERVICES TO ORDER AND UNIT			
QUANTITY OF SERVICES	UNIT	UNIT PRICE	AMOUNT
TUBE	1	26.75	26.75
RX-593-02			
AGENCY NAME AND BILLING ADDRESS		TOTAL 26.75	
Department of the Navy		INVOICE NO.	
: U. S. Naval Activity		1 10	
: Washington, D.C. 20001		DATE 89DEC14	
ORDERED BY (Signature and title)			
TERMS AND ACCEPTANCE DATE			
AA: 1791804.2910 26 12345 - 001 2D 001- BPO4018			
PURCHASER—To sign below for over-the-counter delivery of items			
SIGNATURE			
DATE		89 DEC 89	
REMARKS—Please refer instructions on Copy 2			
RECEIVED BY		PAID BY	
NO FURTHER INVOICE NEED BE SUBMITTED			
SIGNATURE			
DATE			
TERMS, conditions, and other instructions			
RECEIVED BY		DIRECTOR FOR	
PAY BY <input type="checkbox"/> CASH <input type="checkbox"/> BANK <input type="checkbox"/> VOUCHER NO.			
ON <input type="checkbox"/> OTHER NO.			
1. BILLER'S INVOICE		2. INVOICE FORM and Item 15-42	
ZIP CODE		FAC FORM 15-42	

Figure A-25.--Purchase Order - Invoice - Voucher (Standard Form 44) (Completed Form).

AWARD/CONTRACT		1 THIS CONTRACT IS A <u>FIXED PRICE</u> ORDER UNDER DPAS (15 CFR 350)		PAGE OF PAGES	
2 CONTRACT FROM THIS AGENCY (MC)		3 EFFECTIVE DATE		4 REQUISITION/PURCHASE REQUEST/PROJECT NO	
5 ISSUED BY		6 ADMINISTERED BY (If other than item 5)		7 CODE	
8 NAME AND ADDRESS OF CONTRACTOR (Ind. Street, City, County, State and ZIP Code)					
9 DELIVERY <input type="checkbox"/> FOB ORIGIN <input type="checkbox"/> OTHER (Specify below)					
10 DISCOUNT FOR PROMPT PAYMENT					
11 TO SUBMIT INVOICES (If copies please enter how many specified) TO THE ADDRESS SHOWN IN					
CODE		FACILITY CODE		ITEM	
12 SHIP TO/MADE FOR		CODE		13 PAYMENT WILL BE MADE BY	
CODE				CODE	
14 AUTHORITY FOR USING OTHER THAN FULL AND OPEN COMPETITION			15 ACCOUNTING AND APPROPRIATION DATA		
<input type="checkbox"/> 10 USC 2306(c) <input type="checkbox"/> 41 USC 253(c)					
15A ITEM NO		15B SUPPLIES/SERVICES		15C QUANTITY	
				15D UNIT PRICE	
				15E AMOUNT	
15G TOTAL AMOUNT OF CONTRACT \$					
16 TABLE OF CONTENTS					
VI SEC		DESCRIPTION		PAGE(S)	
PART I - THE SCHEDULE					
A		SOLICITATION/CONTRACT FORM		1	
B		SUPPLIES OR SERVICES AND PRICES/COSTS		2	
C		DESCRIPTION/SPECS/WORK STATEMENT		3	
D		PACKAGING AND MARKING		4	
E		INSPECTION AND ACCEPTANCE		5	
F		DELIVERIES OR PERFORMANCE		6	
G		CONTRACT ADMINISTRATION DATA		7	
H		SPECIAL CONTRACT REQUIREMENTS		8	
PART II - CONTRACT CLAUSES					
I		LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACHMENTS		9	
J		LIST OF ATTACHMENTS		10	
PART III - REPRESENTATIONS AND INSTRUCTIONS					
K		REPRESENTATIONS, CERTIFICATIONS AND OTHER STATEMENTS OF OFFERORS		11	
L		INSTR. COND. AND NOTICES TO OFFERORS		12	
M		EVALUATION FACTORS FOR AWARD		13	
CONTRACTING OFFICER WILL COMPLETE ITEM 17 OR 18 AS APPLICABLE					
17 <input type="checkbox"/> CONTRACTOR'S NEGOTIATED AGREEMENT (COMPANION TO 16) (Include in this document the following: (a) copies to awarding office; (b) copies to solicitation number; (c) copies to awarding office; (d) copies to awarding office; (e) copies to awarding office; (f) copies to awarding office; (g) copies to awarding office; (h) copies to awarding office; (i) copies to awarding office; (j) copies to awarding office; (k) copies to awarding office; (l) copies to awarding office; (m) copies to awarding office; (n) copies to awarding office; (o) copies to awarding office; (p) copies to awarding office; (q) copies to awarding office; (r) copies to awarding office; (s) copies to awarding office; (t) copies to awarding office; (u) copies to awarding office; (v) copies to awarding office; (w) copies to awarding office; (x) copies to awarding office; (y) copies to awarding office; (z) copies to awarding office; (aa) copies to awarding office; (ab) copies to awarding office; (ac) copies to awarding office; (ad) copies to awarding office; (ae) copies to awarding office; (af) copies to awarding office; (ag) copies to awarding office; (ah) copies to awarding office; (ai) copies to awarding office; (aj) copies to awarding office; (ak) copies to awarding office; (al) copies to awarding office; (am) copies to awarding office; (an) copies to awarding office; (ao) copies to awarding office; (ap) copies to awarding office; (aq) copies to awarding office; (ar) copies to awarding office; (as) copies to awarding office; (at) copies to awarding office; (au) copies to awarding office; (av) copies to awarding office; (aw) copies to awarding office; (ax) copies to awarding office; (ay) copies to awarding office; (az) copies to awarding office; (ba) copies to awarding office; (bb) copies to awarding office; (bc) copies to awarding office; (bd) copies to awarding office; (be) copies to awarding office; (bf) copies to awarding office; (bg) copies to awarding office; (bh) copies to awarding office; (bi) copies to awarding office; (bj) copies to awarding office; (bk) copies to awarding office; (bl) copies to awarding office; (bm) copies to awarding office; (bn) copies to awarding office; (bo) copies to awarding office; (bp) copies to awarding office; (bq) copies to awarding office; (br) copies to awarding office; (bs) copies to awarding office; (bt) copies to awarding office; (bu) copies to awarding office; (bv) copies to awarding office; (bw) copies to awarding office; (bx) copies to awarding office; (by) copies to awarding office; (bz) copies to awarding office; (ca) copies to awarding office; (cb) copies to awarding office; (cc) copies to awarding office; (cd) copies to awarding office; (ce) copies to awarding office; (cf) copies to awarding office; (cg) copies to awarding office; (ch) copies to awarding office; (ci) copies to awarding office; (cj) copies to awarding office; (ck) copies to awarding office; (cl) copies to awarding office; (cm) copies to awarding office; (cn) copies to awarding office; (co) copies to awarding office; (cp) copies to awarding office; (cq) copies to awarding office; (cr) copies to awarding office; (cs) copies to awarding office; (ct) copies to awarding office; (cu) copies to awarding office; (cv) copies to awarding office; (cw) copies to awarding office; (cx) copies to awarding office; (cy) copies to awarding office; (cz) copies to awarding office; (da) copies to awarding office; (db) copies to awarding office; (dc) copies to awarding office; (dd) copies to awarding office; (de) copies to awarding office; (df) copies to awarding office; (dg) copies to awarding office; (dh) copies to awarding office; (di) copies to awarding office; (dj) copies to awarding office; (dk) copies to awarding office; (dl) copies to awarding office; (dm) copies to awarding office; (dn) copies to awarding office; (do) copies to awarding office; (dp) copies to awarding office; (dq) copies to awarding office; (dr) copies to awarding office; (ds) copies to awarding office; (dt) copies to awarding office; (du) copies to awarding office; (dv) copies to awarding office; (dw) copies to awarding office; (dx) copies to awarding office; (dy) copies to awarding office; (dz) copies to awarding office; (ea) copies to awarding office; (eb) copies to awarding office; (ec) copies to awarding office; (ed) copies to awarding office; (ee) copies to awarding office; (ef) copies to awarding office; (eg) copies to awarding office; (eh) copies to awarding office; (ei) copies to awarding office; (ej) copies to awarding office; (ek) copies to awarding office; (el) copies to awarding office; (em) copies to awarding office; (en) copies to awarding office; (eo) copies to awarding office; (ep) copies to awarding office; (eq) copies to awarding office; (er) copies to awarding office; (es) copies to awarding office; (et) copies to awarding office; (eu) copies to awarding office; (ev) copies to awarding office; (ew) copies to awarding office; (ex) copies to awarding office; (ey) copies to awarding office; (ez) copies to awarding office; (fa) copies to awarding office; (fb) copies to awarding office; (fc) copies to awarding office; (fd) copies to awarding office; (fe) copies to awarding office; (ff) copies to awarding office; (fg) copies to awarding office; (fh) copies to awarding office; (fi) copies to awarding office; (fj) copies to awarding office; (fk) copies to awarding office; (fl) copies to awarding office; (fm) copies to awarding office; (fn) copies to awarding office; (fo) copies to awarding office; (fp) copies to awarding office; (fq) copies to awarding office; (fr) copies to awarding office; (fs) copies to awarding office; (ft) copies to awarding office; (fu) copies to awarding office; (fv) copies to awarding office; (fw) copies to awarding office; (fx) copies to awarding office; (fy) copies to awarding office; (fz) copies to awarding office; (ga) copies to awarding office; (gb) copies to awarding office; (gc) copies to awarding office; (gd) copies to awarding office; (ge) copies to awarding office; (gf) copies to awarding office; (gg) copies to awarding office; (gh) copies to awarding office; (gi) copies to awarding office; (gj) copies to awarding office; (gk) copies to awarding office; (gl) copies to awarding office; (gm) copies to awarding office; (gn) copies to awarding office; (go) copies to awarding office; (gp) copies to awarding office; (gq) copies to awarding office; (gr) copies to awarding office; (gs) copies to awarding office; (gt) copies to awarding office; (gu) copies to awarding office; (gv) copies to awarding office; (gw) copies to awarding office; (gx) copies to awarding office; (gy) copies to awarding office; (gz) copies to awarding office; (ha) copies to awarding office; (hb) copies to awarding office; (hc) copies to awarding office; (hd) copies to awarding office; (he) copies to awarding office; (hf) copies to awarding office; (hg) copies to awarding office; (hh) copies to awarding office; (hi) copies to awarding office; (hj) copies to awarding office; (hk) copies to awarding office; (hl) copies to awarding office; (hm) copies to awarding office; (hn) copies to awarding office; (ho) copies to awarding office; (hp) copies to awarding office; (hq) copies to awarding office; (hr) copies to awarding office; (hs) copies to awarding office; (ht) copies to awarding office; (hu) copies to awarding office; (hv) copies to awarding office; (hw) copies to awarding office; (hx) copies to awarding office; (hy) copies to awarding office; (hz) copies to awarding office; (ia) copies to awarding office; (ib) copies to awarding office; (ic) copies to awarding office; (id) copies to awarding office; (ie) copies to awarding office; (if) copies to awarding office; (ig) copies to awarding office; (ih) copies to awarding office; (ii) copies to awarding office; (ij) copies to awarding office; (ik) copies to awarding office; (il) copies to awarding office; (im) copies to awarding office; (in) copies to awarding office; (io) copies to awarding office; (ip) copies to awarding office; (iq) copies to awarding office; (ir) copies to awarding office; (is) copies to awarding office; (it) copies to awarding office; (iu) copies to awarding office; (iv) copies to awarding office; (iw) copies to awarding office; (ix) copies to awarding office; (iy) copies to awarding office; (iz) copies to awarding office; (ja) copies to awarding office; (jb) copies to awarding office; (jc) copies to awarding office; (jd) copies to awarding office; (je) copies to awarding office; (jf) copies to awarding office; (jg) copies to awarding office; (jh) copies to awarding office; (ji) copies to awarding office; (jj) copies to awarding office; (jk) copies to awarding office; (jl) copies to awarding office; (jm) copies to awarding					

Figure A-26.--Award/Contract (Standard Form 26) (Blank).

MARINE CORPS PURCHASING PROCEDURES MANUAL

AWARD/CONTRACT		THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 350)		PAGE 1 OF 1	
CONTRACT NO. (last four digits)		EFFECTIVE DATE		REQUISITION/PURCHASE REQUEST/PROJECT NO.	
N00708-89-C-0001		8 9 AUG 12		V00708-9204-8601	
ISSUED BY		CODE		ADMINISTERED BY (if other than item 1)	
USS JOHN PAUL JONES (DDG-32) FPO San Francisco, CA 96672		V00708		Same as Block 5	
NAME AND ADDRESS OF CONTRACTOR (the street city county State and ZIP Code)				DELIVERY	
A.B.C. Company 1508 9th St. Long Beach, CA 99602				<input type="checkbox"/> FOB ORIGIN <input checked="" type="checkbox"/> OTHER (See below) DISCOUNT FOR PROMPT PAYMENT Net 30	
CODE		FACILITY CODE		10 SUBMIT INVOICES (if copies unless other was specified) TO THE ADDRESS SHOWN IN	
21. SHIP TO MARK FOR		CODE		12 PAYMENT WILL BE MADE BY	
USS JOHN PAUL JONES (DDG-32) N00708-89-C-0001 FPO San Francisco, CA 96672		V00708		Disbursing Officer USS JOHN PAUL JONES (DDG-32) FPO San Francisco, CA 96672	
13 AUTHORITY FOR USING OTHER THAN FULL AND OPEN COMPETITION		14. ACCE INTIME AND APPROPRIATION DATA		15. ADDRESS SHOWING IN	
<input checked="" type="checkbox"/> 10 USC 2304(c)(1) <input type="checkbox"/> 41 USC 253(c)(1)		1791804.702C 000 57017 0 060957		26 R52192 000155185JKR	
15A ITEM NO.	15B SUPPLIES/SERVICES	15C QUANTITY	15D UNIT	15E UNIT PRICE	15F AMOUNT
0001	Valve, ball, MIL SPEC 25000. 6 inch, input 250 PSI, output 700 PSI. P/N 9000XKPR	1	ea.	\$26,000.00	\$26,000.00
15G TOTAL AMOUNT OF CONTRACT \$26,000.00					
16 TABLE OF CONTENTS					
PART I - THE SCHEDULE			PART II - CONTRACT CLAUSES		
A	SOLICITATION/CONTRACT FORM	1	CONTRACT CLAUSES		
B	SUPPLIES OR SERVICES AND PRICES	2	PART III - LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACH-		
C	DESCRIPTION/SPEC WORK STATEMENT	3	J LIST OF ATTACHMENTS		
D	PACKAGING AND MARKING	4	PART IV - REPRESENTATIONS AND INSTRUCTIONS		
E	INSPECTION AND ACCEPTANCE	5	K REPRESENTATIONS, CERTIFICATIONS AND OTHER STATEMENTS OF OFFERORS		
F	DELIVERIES OR PERFORMANCE	6	L INSTRS, CONDS AND NOTICES TO OFFERORS		
G	CONTRACT ADMINISTRATION DATA	7	M EVALUATION FACTORS FOR AWARD		
H	SPECIAL CONTRACT REQUIREMENTS	8			
CONTRACTING OFFICER WILL COMPLETE ITEM 17 OR 18 AS APPLICABLE					
17. <input checked="" type="checkbox"/> CONTRACTOR'S NEGOTIATED AGREEMENT (Contractor is required to sign this document and return copies to issuing office.)			18. <input type="checkbox"/> AWARD (Contractor is not required to sign this document.)		
19A NAME AND TITLE OF SIGNER (Type of print)			19B NAME OF CONTRACTING OFFICER		
John Hancock, President, A.B.C. Company			E. Wheeler		
19C NAME OF CONTRACTOR		19D DATE SIGNED	19E UNITED STATES OF AMERICA		19F DATE SIGNED
BY (Signature of person authorized to sign)		8 9 Aug 16	BY (Signature of Contracting Officer)		8 9 Aug 17

NSN 7540-01 133-2069
PREVIOUS EDITION UNUSABLE

STANDARD FORM 26 (REV. 4-55)
Prescribed by GSA
FPMR (48 CFR) 1.52-214(i)

Figure A-27.--Award/Contract (Standard Form 26).

APPENDIX B

SECTION 1: PURPOSE

INTRODUCTION

1. The purpose of this appendix is to provide a consolidated source of information for a contingency contracting officer (CCO) for use while providing support to deployed units during peacetime exercises and wartime contingencies.

2. Commanders still have the responsibility to provide adequate combat support and combat service support. Some of the required support can be provided from locally available resources in the area of responsibility. This source lightens the logistical tail and does not waste scarce airlift. In order for commanders to properly obtain this support through legal means, they must use properly warranted contracting personnel to accomplish this task. These personnel provide an operational concept for the coordination, management, and procurement of supplies and services (combat support and combat service support) provided through contracting/purchasing actions for deploying or deployed forces. Commanders have the greatest flexibility when they have the capabilities of a contracting team to provide them support.

GENERAL

1. With the probability of the U.S. Marine Corps participation in contingency operations, training exercises, and low intensity conflicts, the requirement to take full advantage of local resources becomes significant in supporting these operations. Bulk supplies and material that can be locally procured does not waste scarce lift resources that are needed for combatants.

2. The contingency or low intensity operation will most likely occur in areas of the world where little or no Host Nation Support (HNS) agreements exist. Thus, the requirement for contracting/purchasing support becomes a question of accumulating as much data regarding source availability and the location as quickly as possible. The contracting team must accomplish this amassing of available local resources to offset not only the immediate needs of the U.S. Forces (e.g., bulk class III, class IV, shelters, construction materials, miscellaneous supplies, and services), but also establish support relationships with the local authorities that would serve as a basis for firmer commitments if required.

MISSION

1. To locate and obtain local resources through contracting and purchasing actions which will legally support U.S. Marine Corps mission requirements in a theater of operations.

MARINE CORPS PURCHASING PROCEDURES MANUAL

2. To initiate and execute contracting/purchasing actions with local resource activities to provide required and authorized combat support and combat service support.
3. To serve as an initial focal point to manage and coordinate available HNS resources obtained to support the deployed forces and to interface HNS plans, resources, and activities within the overall support structure.

OPERATIONAL CONCEPT

1. The contracting team would be one of the first support elements to arrive in the contingency area of operations. Its' task would be to execute or establish any existing or required agreements or contracts for supplies and services needed by the deploying or deployed forces. The supplies and services would be obtained from the local economy in congruence with host nation economic parameters. This team would be attached to the combat service support element or higher Headquarters, to provide overall support to the combat forces.
2. The contracting team, using logistics requirements determined by the commander, will obtain, through purchasing and contracting, any available local resources.
3. The contracting team would use all available data concerning local resources that would most likely be available in the contingency area.
4. The contracting team would also be the initial focal point responsible for the management and coordination of the HNS assets into the Marine Corps support plan as required. It would use all legal, contracting, and purchasing techniques to obtain available support within the area of responsibility. It would also facilitate Logistics Civil Augmentation Programs, HNS arrangement, and other unique support agreements.

MARINE CORPS PURCHASING PROCEDURES MANUAL

APPENDIX B

SECTION 2: AUTHORITIES AND LIMITATIONS

INTRODUCTION

1. This section list various authorities and limitations by which contingency contracting officers can determine what they can or cannot do during contingencies. To do this, some basic assumptions and limitations must be made.

ASSUMPTION

1. Current and future regulatory and statutory requirements and programs will be relaxed as necessary, or waived, to expedite the contracting process.

2. Request for supplies and services will be high priority, thereby drastically reducing contracting administrative leadtime and delivery requirements.

3. Deployed contracting forces will have authority to conduct business with foreign governments, commercial firms, and other forces in the theater where assigned or deployed.

4. Some contracting authorities and responsibilities can be delegated.

LIMITATIONS

1. Applicable agreements such as host nation and inter-service agreements, status of forces, and other authoritative agreements in the theater of operations may limit the CCO's ability to satisfy some requirements.

2. Prohibiting the use of cost-plus-a-percentage-of-cost contract and statutory requirements regulating profits will continue.

WAR AND EMERGENCY LEGISLATION

1. Congress enacted several laws recognizing the Government must respond quickly in a time of crisis. There are currently over 350 laws which expand and/or restrict legal authorities affecting all functions of the Government. HQ USAF/JACO has compiled these laws in a "Digest of War and Emergency Legislation affection the Department of Defense." It is continually updated and available through the Judge Advocate Information Services (AF/JAS, Denver, CO 80279) through the Defense Emergency Authorities Retrieval and

Analysis System (DEARAS). While there are several laws which affect contracting, the following three have the greatest impact on contingency contracting in foreign theaters:

a. Fifty USC 1431-1435, The "National Defense Contracts Exempt from Certain Statutory Limitation" authorizes the DoD to enter into, modify, or make advance payments on contracts in the interest of the national defense without regard to certain statutory limitations.

b. "Exemption of Certain Purchases and Contracts from Formal Advertising Requirements" as contemplated by the Competition in Contracting Act advertising when its needs for the property or services "is of such an unusual and compelling urgency that the United States would be seriously injured....." This is the authority a CCO would most likely use (for purchases over \$25,000) since justification and approval can be processed after the fact. Another authority from the Competition in Contracting Act of 1984 which may be used, particularly during exercises, is 10 U.S.C. 2304 (c)(4) entitled, "International Agreement." This authorizes using other than full and open competition "when a contemplated acquisition is for services to be performed, or supplies to be used in, the sovereign territory of another country and the terms of a treaty or agreement specify or limit the sources to be solicited." Copies of international agreements are filed with the United States European Command or with the United States Pacific Command. In addition, Military Assistance Advisory Groups, Naval Missions, and Joint United States Military Aid Groups normally have copies of the agreements applicable to the countries concerned (DoD FAR 25.801).

c. Defense Resources Act is designed to provide contracting personnel (among others) the authority necessary to meet various contingencies. As such, CCO's should be notified before deployments of exactly what has been authorized before using this authority. Additional sections of the legislation could be reviewed, modified, and introduced to Congress as amendments to the current Defense Production Act.

A question often raised is, what statutory authorities can we count on being waived during actual contingencies? A complete reading of this act sheds little light as to the specific laws which may be waived. However, several excerpts from the act reveal how far-reaching and all encompassing some potential waivers could be:

2. "Sec. 401. The President may authorize any agency of the Government exercising functions in connection with the national defense to enter into contracts and into amendments or modifications of contracts heretofore or hereafter made and to the provisions of law relating to the making, performance, amendment, or modification of contracts whenever he deems such action would facilitate the performance of the national defense functions of such agency; except that this title does not authorize the use of

the cost-plus-a-percentage-of-cost system of contracting or any contract provision in violation of law relating to limitation of profits." (EMPHASIS ADDED)

3. "Sec. 1214. Except as provided in the Act, all laws and parts of laws in conflict with the provisions of this Act are hereby suspended to the extent of such conflict for the period during which this Act shall be in force."

4. These sections would make it appear CCO's have unlimited authority to write contracts any way they see fit. However, a word of caution on two points. First, implementing legislation of this act could change or modify this language. Second, CCO's are still required to adhere to sound contracting principles to the extent granted during emergencies. The bottom line is CCO's will be given the authority to get the job accomplished, but they must thoroughly document reasons for not following normal procedures. The remainder of this handbook is based on this premise.

5. In addition to these broad based laws, the FAR and DoD Supplements spell out additional exceptions under emergency conditions. These are summarized in table 3-2. CCO's should perform a thorough review of these regulatory and legislative exceptions, in their full context to fully understand their application and use. Training and preparation before deployment can save both time and frustration during actual conditions.

<u>FAR Reference</u>	<u>Subject</u>	<u>Exceptions Allowed</u>
5.201(b)	Synopsis	Does not apply overseas
5.202(a)(2)	Synopsis	Not applicable if unusual and compelling urgency exists
5.202(a)(3)	Synopsis	International agreement specifies the source of supply
6.001(a)	Competition	Does not apply to small purchases under \$25,000
25.102(a)(1)	Buy American Act	Not applicable for items used outside U.S.
25.392(b)	International Balance of Payments Program	May buy foreign if under \$25,000

MARINE CORPS PURCHASING PROCEDURES MANUAL

<u>FAR Reference</u>	<u>Subject</u>	<u>Exceptions Allowed</u>
25.501	Payment in Local Currency	Foreign contracts should be priced and paid in local currency, unless C.O. determines it to be inappropriate.
25.703 (a)	Restrictions on Certain Foreign Purchases	Authorized to buy items from North Korea, Vietnam, Cambodia, and Cuba in emergencies
28.102-1 (a)	Bonds	Can be waived by C.O.
37.107 (b) and DOD FAR SUP 37.104 (70) (e) (3)	Personal Services	Permissible pursuant to 5 U.S.C. 3109, if advantageous to the national defense requires J & A.

MARINE CORPS PURCHASING PROCEDURES MANUAL

APPENDIX B

SECTION 3: FUNDING ISSUES

INTRODUCTION

The purpose of this section is to highlight significant differences between peacetime funding and contingency or emergency funding practices. During peacetime, funding issues are taken for granted. Purchase requests are received through the supply chain on DD Form 1149 or other forms as prescribed, and certified by comptroller personnel.

FINANCE AND CONTRACTING RELATIONSHIPS

It is essential a close working relationship be established between the deployed disbursing officer or other personnel performing those functions and the CCO in order to make timely and accurate payments for supplies and services. These personnel would be empowered with authority to cite funds, certify fund availability, and process disbursements and collections.

FUNDING PROCEDURES

An important point for CCO's to keep in mind in a "cash and carry" environment; an accounting classification code is required on all contracting documents.

OTHER FORMS

CCO's may also receive purchase requests using DD Forms 1348-6, DD Form 1149, Military Interdepartmental Purchase Request (MIPR). These are all "one-time" funding documents and can only be used for a specific purpose, and within the funding limitation stated on the form. These forms require funding certification by the designated responsible officer or fund administrator.

IMPREST FUND

The last funding procedure is the imprest fund. Imprest fund accounts can be established outside the contracting office up to \$5,000 with prior approval of LBO. Individual transactions cannot exceed \$500. The imprest fund is reimbursed by submitting a SF 1129 to the disbursing officer. The FAR subpart 13.4, DoD Supplement, and this Manual provide detailed procedures on imprest fund.

PROTECTING FUNDS UNDER FIELD CONDITIONS

1. "When deployed in the field for actual or exercise purposes, all Government funds must be under continuous control." Under no circumstances will they be left unattended and unsecured. The deploying commander must establish and enforce procedures for protecting deployed government funds. Procedures will be established based on the following guidelines:

- a. Only the minimum amount of funds will be deployed.
- b. Funds shall be kept in secure storage accessible only to the person responsible for their custody.
- c. A suitable safe for security will be provided. Field safes are not authorized unless by this Manual, paragraph 6110.
- d. The safe shall be positioned in such a manner as to prevent observation of the combination dial by others.

NOTE: Use of foreign banks or embassy financial institutions may be authorized. Review operation order of specific area prior to deployments.

APPENDIX B

SECTION 4: DUTIES AND RESPONSIBILITIES

INTRODUCTION

This section provides the CCO guidance on those tasks which are essential to conducting an effective contingency contracting program. In addition, CCO's may be given other duties which have nothing to do with contracting such as paying agent, transportation officer, billeting officer, or civilian labor officer. Although this violates principles of auditing, the CCO shall not be responsible for all the steps within the audit trail, (that is, the same person should not be responsible for requisitioning requirements, purchasing, receiving, and paying for goods and services).

CONTINGENCY CONTRACTING OFFICERS DUTIES AND RESPONSIBILITIES

Duties and responsibilities will be markedly different in a contingency situation and many nonessential tasks will be eliminated in emergency situations. This section deals with what is required so CCO's can focus on organizing a contingency contracting operation. For ease of reference, duties will be listed under the peacetime functional headings although it is recognized contracting will not be organized like this in most situations. In fact, a cradle-to-grave organization will probably be most effective.

MANAGEMENT

1. The first objective CCO's must accomplish is to establish communication with the on-scene commander, any potential customers, comptroller, and disbursing officer. There are two reasons for this. First, contracting is there to support the unit, and its hard to support if customers do not know the CCO's. Second, the CCO can avoid processing a lot of ratifications, or "retroactive contracting," the sooner contact is established.
2. The second objective is to develop a simple straight forward way for customers to submit requirements to contracting. Keep in mind an important requirement is to keep complete records for an audit trail. Forms and formats are only limited by the CCO's imagination. If there are many DD forms 1348-6 and DD Form 1149 available, so much the better. The point is contracting requires on the minimum information as listed by this Manual to fulfill the audit trail needs. CCO's should work with supply, comptroller and disbursing counterparts to come up with procedures and formats to satisfy everyone.

3. If the workload is too heavy or if the unit is widespread, and in cases where team strength is insufficient; CCO's have authority to delegate imprest fund and SF 44 purchases to non-contracting personnel. Before doing either, the CCO must train the individuals, provide them with written authorization spelling out their authorities and limitations, and periodically make spot checks to ensure they have not overstepped their authority. All administrative appointments should be done prior to deployments when the individuals are known.

PURCHASING SUPPLIES

1. PURCHASE/PICK-UP/RECEIVE/DELIVER. The CCO's responsibilities for purchased supplies are more encompassing during deployments than during peacetime. There are several reasons for this. First, lack of reliable communications in many contingency areas makes it necessary to travel to the vendor's location. Secondly, most businesses will be "cash and carry" which requires the CCO to officially receive and deliver items on behalf of the customer. There are times, of course, when the CCO will not have to make delivery. For example, a large order of construction materials will have to be delivered by the contractor or picked up by the customer. But for the most part, the CCO can count on being a courier for every "link in the supply chain" for most purchases.

2. PAYING FOR SUPPLIES. If designated as paying agent by an accounting and finance officer, the CCO will also be responsible for making payments on supply purchases.

3. REFERRALS. Contracting may receive a number of purchase requests for items which are not available in the immediate area but are possibly available at a location serviced by another contracting office. If the deployment base has routine MAC flights to and from another military installation, the CCO may satisfy requirements by "referring" the purchase requests to the contracting office there. Detailed procedures on referrals are contained in section 5. The main point to remember is other contracting offices will need an accurate item description, funding certification, and precise delivery information including a point of contact (either the CCO or the customer). Be sure to keep track of open referrals so follow-up action can be initiated if necessary, and the status of any unused funds can be maintained.

4. AUDIT TRAIL. It cannot be overemphasized how important it is to accurately reconstruct all purchases. Since normal checks and balances may not exist during contingency situation, CCO's can be assured auditors will be interested in paperwork when the unit returns home. Proper forms and formats are not nearly as important as having complete and accurate information, even if it is on a plain piece of paper.

5. TYPICAL SUPPLY REQUIREMENTS. While an accurate list of actual requirements at every contingency location is not possible, it is useful to have an idea of what was required during past deployment exercises to help build a reference library.

6. SERVICES, CONTRACT REPAIR, AND MINOR CONSTRUCTION BUYING. Unlike the simple straight forward nature of "cash and carry" supply buying, services, contract repair, and minor construction buying is more complicated. In addition, it is much easier to describe a "thing" than to describe an end product or level of effort. In the final analysis, there is good news and bad news concerning this type of buying.

7. GOOD NEWS. As spelled out in section 2, a number of peacetime requirements can be waived in an overseas contingency. These waivers include:

- a. Labor laws
- b. Synopsis requirements
- c. Formal advertising
- d. Bonding requirements

Indeed, most impediments to writing contracts in a timely manner have been reduced or waived in emergency situations. However, there is more to services and construction buying than just consummating a quick contract.

8. BAD NEWS. As mentioned above, the ongoing nature of services or minor construction complicates the contingency contracting operation.

Statement of work must be prepared. In many cases, this will have to be done bilingually in order for the contractor to understand.

A quality assurance evaluator (QAE) or contract monitor must be available from the requesting activity or contracting team.

Many of these requirements will be over \$25,000 except construction which limits the CCO's options for "creative contracting." These options will be discussed in more detail in section 5.

9. REFERRALS. This applies mostly to contract repair items. In some cases, referrals will be the only way a CCO can find a vendor to repair broken equipment. The CCO should remember to get a hand receipt whenever Government property is given to a contractor for repair. See procedures in section 5 under, "Referrals."

10. CONTRACTING RESPONSIBILITIES. In most cases, service and construction contracts must be in writing, not only for the contractor to know what is expected, but for the Marine Corps to know what it is paying for. As for price determinations, CCO's should provide a memorandum of negotiation to show how a "fair and reasonable" price was determined. Lastly, the CCO will need a system for checking contractor performance and progress.

11. TYPICAL SERVICE, CONTRACT REPAIR, AND MINOR CONSTRUCTION REQUIREMENTS. Like the supplies list, the listing below is the result of actual exercise experience. In addition, it should be recognized minor construction and many services are curtailed, or done without, during exercises of known duration. The following list reflects possible minor construction requirements in addition to other probable services and contract repair requirements.

SERVICES

- Billeting
- Vehicle rentals
- Commercial communications services (if available)
- Interpreters service
- Civilian labor
- Portalets

CONTRACT REPAIR

- Vehicles
- Typewriters, calculators, office equipment
- Furniture
- Radios

CONSTRUCTION (MINOR)

- Paving
- Revetments
- Fences/barriers
- Temporary structures
- Maintenance repair of existing structures.

12. CONTRACT ADMINISTRATION. This will probably be characterized as "administration by exception." This means the CCO will have to rely heavily on customers to ensure service and construction contractors are performing per the contract. Labor checks are not required in the overseas environment and site visits may be limited by the CCO's other duties and responsibilities. By doing this, contracting runs the risk of "verbal change orders" being issued to contractors by contract monitors. These will have to be finalized by supplemental agreement to keep the contract auditable. In almost all cases under contingency contracting, based on predeployment planning, the contract monitor will be a member of the contract team. Remember, the contract monitor (or QAE) may not have time to follow normal procedures of stopping the contractor,

sending contracts a written request for change, and waiting for the CCO to negotiate a supplemental agreement. Even if the contracting officer knows about changes in advance, time constraints would probably demand giving a verbal okay to the contractor followed by a supplemental agreement.

13. APPROVING AND/OR MAKING PAYMENTS. Any ongoing construction or service contract may require progress payments. Again, procedures should be kept simple. What is needed is some type of progress report from the contract monitor stating the contractor has performed satisfactorily and the percentage of work completed. The CCO will also authorize final payments. Make sure this is well documented so the contract file can be closed out. One could strictly be unable to perform unless they get some "up-front" money to buy necessary supplies, equipment, and labor. ADVANCE PAYMENTS ARE A LAST RESORT ONLY. If there is no other way to get the job done, the CCO should consider accompanying contractors when they order supplies, keeping track of how much is spent on their behalf. If this is not feasible, then keep advances down to an absolute minimum. The bottom line is for CCO's to use their best judgment and document circumstances as they arise. Advance payments should not be used routinely.

14. TERMINATIONS. CCO's may be faced with a number of terminations for default of services and minor construction contracts. However, unless the contractor is a U.S. firm, circumstances will not allow CCO's to follow usual procedures of "cure notices" and "show cause" letters and "final decisions of the contracting officer." Terminations for convenience will probably be very common, particularly for ongoing service contracts--especially when the contingency suddenly ends and everybody packs up. Give contractors as much advance warning as possible, and then write a supplemental agreement spelling out the revised contract period and final settlement. DO NOT LEAVE THE AREA WITHOUT CLOSING OUT ALL CONTRACTS.

APPENDIX B

SECTION 5: CONTINGENCY CONTRACTING INSTRUMENT

GENERAL

This handbook will discuss six ways to fulfill contracting requirements. This is not to say they are the only ones which can be used; however, these provide the flexibility needed to satisfy most requirements. Each way will be followed by a brief description of the instrument to be used, and the conditions for its use.

IMPREST FUND

1. An imprest fund is a cash fund of a fixed amount established through an advance of funds by the disbursing officer without appropriation charge, to an authorized individual known as the imprest fund cashier, for the purpose of making immediate cash payments, within set limitations, for authorized purchases of supplies and nonpersonal services.

2. CONDITIONS FOR USE. Use of this instrument is limited to purchases not exceeding \$500 per transaction. Imprest funds can be used for just about any type of purchase except payments of salaries and wages, or cashing of checks. Since the CCO does not have to be present when purchases are made, use of an imprest fund can be very effective in terms of letting customers do time-consuming legwork.

SF 44, PURCHASE ORDER-INVOICE-VOUCHER

1. The SF 44 is designed primarily for over-the-counter purchases by authorized individuals when away from the purchasing office or at isolated activities. It is a multipurpose form which can be used as a purchase order, receiving report, supplier's invoice, and public voucher.

2. CONDITION FOR USE. Since there are no written terms and conditions included thereon, the order-invoice-voucher method is the least desirable purchase method unless used for over-the-counter small purchases. SF 44 is authorized for use only when no other small purchase method is considered more suitable and all of the following conditions are satisfied:

a. The transaction is not in excess of \$2,500.

b. Transactions for POL not in excess of \$10,000.

DFARS 213.505-3

c. Supplies or services are immediately available.

MARINE CORPS PURCHASING PROCEDURES MANUAL

- d. One delivery and one payment will be made.

DD FORM 1155, PURCHASE ORDER

1. A purchase order is a DD Form 1155 signed by a purchasing officer (CCO) which requests a vendor to send the items listed in block 18 to the Marine Corps per the information furnished on the DD Form 1155.
2. Negotiated purchases of material and nonpersonal services within the dollar limitation of \$25,000 or less may be affected by using DD Form 1155. The DD Form 1155 may be used as:
 - a. B.P.A.
 - b. Receiving and inspection report.
 - c. Public voucher.
 - d. An imprest fund receipt.

REQUIREMENTS OVER \$25,000

1. There is nothing in current emergency legislation specifically allowing a CCO to waive provisions for bilateral, formal contracts for requirements over \$25,000. Therefore, the CCO should use uniform contract formats (UCF) prescribed in FAR (and supplements) for overseas supplies, and services requirements over \$25,000 whenever possible. Now a question sure to come up is, "What to do if the contractor refuses to sign a contract (a likely occurrence), and the contractor is the only one available who can do the job?" The following is a recommended solution:
 - a. Write the contract as if the contractor is going to sign.
 - b. Have it witnessed that the contractor refuses to sign (but is willing to do the work).
 - c. Give the contractor the verbal authorization to proceed.
2. What is the rationale for this solution? First go back to section 2 where it discusses the Defense Resources Act. This act, when implemented, waives virtually everything except cost-plus-a-percentage-of-cost contracts and limits on profits. Secondly, remember the mission of the CCO--support the legitimate needs of a deployed unit to help it successfully achieve its mission. THIS IS NOT TO SAY A CCO SHOULD THROW CAUTION TO THE WIND--ON THE CONTRARY--THE CCO MUST STILL ENSURE CONTRACTUAL REQUIREMENTS ARE ADHERED TO IN PROVIDING THE SERVICE IN A TIMELY MANNER AT A REASONABLE COST. Just because the contractor did not sign a contract, the CCO should provide a copy with documentation to the requestor, comptroller, disbursing, and retain one copy for the file.

RATIFICATIONS

If the CCO is not one of the first people to arrive at the deployment site, unauthorized actions may occur. These need to be processed quickly for resolution per this Manual and other directives.

REFERRALS

1. It is likely a CCO will receive purchase requests which cannot be fulfilled on the local market. Instead of canceling the requirement, the CCO should look into the possibility of referring it to another location for action. This most likely is for U.S. made spare parts and contract repair items.

2. WHERE TO SEND. There are usually several sources geographically separated from the CCO which could be used.

a. The American Embassy.

b. The nearest permanent military base contracting office.

c. Finally, if there are scheduled MAC flight to and from the contingency base, the CCO could send the requirements to the contracting office wherever MAC goes.

Commercial air, however, should be avoided due to customs problems. The CCO should not overlook or underestimate the usefulness of the referral system to fulfill requirements. For example, in the Pacific theater, there is a program called, "PACOM-CONTINGENCY ACQUISITION PROGRAM (P-CAP)," which has pre-identified redundant sources of supply in over 10 countries which are willing and able to satisfy many of PACOM's known requirements. The CCO should not arbitrarily limit the markets available to satisfy a customer's needs.

3. ADMINISTRATIVE REQUIREMENTS FOR REFERRALS. Referral packages should be kept in a separate "open" file until completed. This will help the CCO know status of the referrals and help the comptroller keep track of outstanding commitments.

CONTRACT MONITORING

The method for contract surveillance could be the customer complaint system. If the customer is satisfied the contractor is performing satisfactorily, this should satisfy the CCO as well. Paperwork could be simple handwritten statement from the QAE in order for the CCO to support a progress payment or a final payment. All directions given to contractors, whether verbal or written or whether given by the CCO or the QAE should be made a part of the record in the contract file. Note this states the QAE may give direction to the contractor, but we must remember that in most all cases the QAE will be a contracting representative.

PAYMENTS

There are three different types of payments a CCO can authorize: advance, progress, and final. Advance payments were covered in section 4. Progress payments are supported by a "customer satisfaction" report from the QAE or contract monitor. Final payments are made whenever the contractor has successfully completed the contract, or the CCO has canceled any remaining requirements.

TERMINATIONS

Almost all terminations will be for convenience as opposed to terminations for default. The reason here is the contractor will not be bonded, the statement of work will likely contain ambiguities, and the contractor is likely to be the "sole source" for the needed services. It would serve no purpose to default a contractor if there is no hope of recovering "reprocurement costs" or of finding another contractor to do the job. These contracts can normally be terminated by simply issuing a letter of cancellation and release of claims in order for the CCO to close out the contract and for the comptroller to release the money remaining on the contract to other requirements. Terminations for convenience could also be handled the same way except when the contractor has invested substantially to fulfill the contract. In these cases, the normal rules in the FAR and supplements thereto, should be followed to ensure an equitable adjustment is made to compensate the contractor.

APPENDIX B

Section 6: RULES OF ENGAGEMENT

GENERAL

This section will focus on preplanning and preparation actions, initial deployment including the establishment of a local purchase capability. While not intended to be all inclusive, it should provide the CCO a good foundation and better perspective on the role of contingency contracting.

PREPLANNING AND PREPARATION

There are many things a CCO can and should do to prepare for a contingency contracting operation. Preparing in advance is important for one very basic reason; there will not be enough time to do these things once a contingency action gets underway.

PERSONAL AND "ADMINISTRATIVE" PREPARATIONS

1. The following is a list of requirements a CCO must possess in order to start a contingency operation:
2. These items are to be included in personal TAD orders;
 - a. Variations and foreign flag carrier authorized on TAD order. This is to avoid delays when traveling through unexpected areas.
 - b. Authorization to hire/rent special conveyance.
 - c. Civilian clothes. In order to keep a low profile, a CCO may be required to be in civilian clothes while performing duties in the local community.
 - d. Appointment orders.
 - e. Official passport plus 6 to 10 extra photos for visas. This is required to move about from country-to-country.
 - f. Operators permits - military and civilian (foreign driver's license).
 - g. All SRB, medical, and dental requirements (deployment checklist).

INITIAL DEPLOYMENT

Ideally, the CCO should arrive ahead of the main deployment force--on a predeployment team if one exists. If not, the unit may have to do without many supplies and services which may be essential such as vehicle rentals or billeting, unless your command has procedures in effect for such shortfalls.

TYPICAL ORGANIZATION STRUCTURE

1. The deployed contracting team will usually be part of the combat service support element, responsible to the commander or higher authority. It is important for the CCO to know where contracting fits in the organization. Also important is that the contracting team be clearly identified as a separate staff entity. Contracting is one responsibility which is of a logistic nature not within the category of supply (FMFM-01).

2. Performance of purchasing and contractual duties is the responsibility of the CCO. The CCO is under the technical control of the CMC (LB) and the operational control of the commander to which assigned.

SUPPORT ITEMS REQUIRED UPON ARRIVAL

CCO's should be prepared to take care of their needs immediately upon arrival. It is hard to help others until the CCO has obtained those things which are essential to running an effective contingency contracting organization. The CCO needs a vehicle (assigned or rented) to be able to make purchases on the local market. In addition, the CCO must make immediate arrangements to hire an interpreter/guide. This person should not only be bilingual, but familiar with the local market area as well. The CCO should also try to establish a fixed location from which to operate. This will help customers to find the "office" to deliver their requirements when the CCO is not there. Office needs should be minimal with a desk, chair, computer equipment, typewriter, and safe, if applicable. The office must be able to be secured if cash is kept there. If possible, the CCO should try to make arrangements for some type of communications network, such as mobile radios, telephone, etc., so customers can contact the CCO while the CCO is out of the office.

MARINE CORPS PURCHASING PROCEDURES MANUAL

APPENDIX C

COORDINATION WITH COUNSEL ON CONTRACTUAL MATTERS

Ref: (a) FAR 1.602-1(b)
(b) NAPS 1.601-90(b)

1. Purpose. To identify contractual documents and related matters that require coordination with counsel and to set forth procedures for accomplishing such coordination.

2. Background. Reference (a) requires that contracting officers not enter into contracts until all applicable requirements of law and regulation have been met. Reference (b) requires that contract documents be forwarded to the appropriate attorney or attorneys of the Navy Office of General Counsel for review as to form and legality and any additional pertinent comment and advice.

3. Action

a. Procurement personnel contracting officers shall submit the following documents and related matters to the Office of Counsel for the Commandant or the appropriate field office of Counsel for the Commandant for review prior to release to parties outside of the Division:

(1) All written solicitations estimated to be in excess of \$25,000 and all amendments to such solicitations except as indicated in 4b(6).

(2) All proposed contracts in excess of the small purchase threshold.

(3) Leases, regardless of dollar value.

(4) All basic ordering agreements (BOA) and orders under BOA's in excess of \$25,000.

(5) All contract modifications affecting price or estimated cost, delivery, specifications, or changes to any of the core elements of the contract.

(6) All justification and approval (J&A) for other than full and open competition.

(7) Determination and findings (D&F) for matters other than determination of contract type.

(8) Matters relating to late bids or proposals.

(9) Matters relating to mistakes in bids.

MARINE CORPS PURCHASING PROCEDURES MANUAL

(10) Proposed deviations from FAR, DFARS, or NARSUP or other applicable regulations or directives.

(11) Questions relating to contract interpretation.

(12) Protests prior to or after award.

(13) Congressional inquiries.

(14) Termination actions.

(15) Contract claims, disputes, and appeals.

(16) Requests for extraordinary contractual relief under the provisions of Public Law 85-804.

(17) Denial (whole or partial) of requests under the Freedom of Information Act (FOIA).

(18) Release of information requested under the FOIA when release of some or all of the information is disputed by any party.

(19) Any proposed change to the Marine Corps Headquarters Contract Clause Book.

(20) All rejections of bids.

(21) All determinations of nonpersonal services.

(22) Any proposed action of a controversial nature.

b. The following will be submitted to counsel for review, when, in the sole discretion of the assigned contracting officer, legal review is considered necessary:

(1) Acquisition plans.

(2) D&F's for the determination of contract type.

(3) Delivery orders against indefinite delivery type contracts or against Federal Supply Schedule contracts.

(4) Solicitations/contracts not exceeding the small purchase threshold.

(5) Full releases of information requested under the FOIA except as described in 4a(18) above.

(6) Purely administrative amendments and modifications. SF 30's of either type which make material changes to a

solicitation or contract must receive legal review. This includes changes in performance obligations, pricing, delivery schedule, Government-furnished property, inspection and acceptance, section H and section I clauses and section M (evaluation factors); all of which are required to be reviewed by counsel.

4. Documentation

a. All matters submitted to counsel with the purpose of getting concurrence, advice, or assistance, shall include the following:

(1) A routing sheet showing that the contracting officer responsible for the matter, or branch head if the matter does not related to a specific contract or procurement, has reviewed the material provided and either concurred with the proposed course of action or provided an alternative recommended course of action.

(2) A brief description (typed or legibly handwritten) of the matter to be reviewed with a specific discussion of each unusual element. If the document being reviewed is a solicitation, amendment, contract, or modification, this description will specifically identify any included provisions that are not included in FAR, DFARS, NAPS or FIRMR.

(3) A proposed document (Solicitation, Contract, Modification, J&A, D&F, Letter, Administrative Report, etc.) which, if determined to be acceptable, would constitute the conclusion of the matter.

(4) Supporting documentations, indexed for easy reference, necessary to understand the proposed action without having to look elsewhere for pertinent factual information.

(5) Upon completion of review by legal counsel, ensure that indication of legal approval was provided on the original document. If additional documentation was received (counsel's comments, etc.), ensure that such documents are made a part of the permanent contract file.